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Some Corrections.

It will be seen in reading the evidence taken before the investigation committee, as published in this issue, that in some parts of the first portion of the testimony, words and incomplete sentences occur. We have marked it in every instance as well as we could. The errors and omissions happened in this way: When the committee first met they employed a Mr. Kiker to report the evidence. He was taken sick a few days after he commenced his work, and has never been able to even read his manuscript. He lives at Calhoun. The committee have been expecting every day to have him transcribe his short-hand notes. But finding he could not do it, they procured another short-hand reporter to write out his report. Mr. Hill in the meantime had left for Washington, and the systems of the two reporters differing some, it led to the errors and omissions alluded to.

It will also be seen, in the column containing the letter of Mr. Hill to the public, that a portion of our article that had appeared in this paper is printed with the evidence. The committee, in furnishing the letters to be printed, clipped the whole article out of our paper to save copying the letters, and it was published, the proof-reader not knowing it was not a part of the evidence. We must admit that it is about as relevant as some of the evidence taken by the committee, but this irrevelant extract does not properly belong where it is.

In another part of the testimony where it says, "Mr. Hill says," should be credited to the Rome Tribune. We allude to the "gaping idiot."

The committee have also furnished us with the following that should have appeared in the evidence:

There were certain questions asked Governor Colquitt by Hon. W. J. Northen which should have appeared, but were omitted. They were substantially as follows:

Mr. Northen. Governor, you stated yesterday that Mr. Hill in person had disavowed any purpose or attempt to reflect upon your official conduct; when did he so say to you—since or before your special message? A. Since.

Q. Please state definitely the day. A. Sunday evening.

Q. State how this interview was brought about. A. Mr. B. H. Hill, Jr., came to my house Sunday morning and asked if I objected to an interview with his father. I told him I did not. The interview was held in the presence of two gentlemen.

Q. Was the interview in any way sought by you? A. Not at all.

Great London Show To-day.

This superb exhibition will arrive by three special trains this morning, and give its first performance at 7:30 to-night. The riding of M'lle Dockrill has set her audiences everywhere in a blaze of enthusiasm, and the favor with which the other specialties and the colossal menagerie is received is equally marked. There can be no doubt of the splendid success of the great London here. The procession occurs at 1:30 p. m. this afternoon, and the route will be as follows: From the grounds on Marietta street down Walton, thence to Forsyth, Peachtree, Decatur, Loyd, Alabama, Whitehall, Peters, Forsyth, Mitchell, Broad and Marietta, and return to the lot.

—Rev. John W. Heidt writes that he will be in the city Sunday next, and will fill his pulpit at Trinity church.

—Boniface will appear in "Soldier's Trust" at DeGive's to-night.

The Knights of Honor will meet at their hall to-night. S. K. Cook, G. R. of Georgia, will visit them.

Died, Thursday afternoon, 12th instant, Judge James Clarke, aged 80. Notice of funeral hereafter.

THE EVIDENCE.

TAKEN IN THE INVESTIGATION.

Called For by the Special Message of Governor Colquitt.

[This evidence commences on the Third page, continuing through the Fourth, Fifth and Sixth; running from the Sixth to this, the First page; thence to the Second, Seventh and Eighth pages.]

CONTINUED FROM SIXTH PAGE.

and we did it hastily. When this bill was introduced and passed and became a law, granting us the aid of the state, our city council passed a resolution subscribing $100,000 to this railroad, which was adopted by a popular vote of the community.

At the same time it may not appear germain to this question, but I want to show the whole connection—at the same time I thought of introducing a resolution to appropriate twenty-five thousand dollars to the agricultural college. We were paying only one-quarter of one per cent. taxes in our town. It devolved upon me to provide some means for meeting our obligations; and it required the raising of our taxes from one-quarter of one per cent. to one per cent. I being the author of all of that, it raised a tremendous war upon me. They tried to ride me on a rail, and made it hot for me awhle. I made them believe finally that it was the best policy to get them to adopt the provision in the charter, contained as you will find it in the act. I came to the legislature in 1873. In 1874 Mr. Matthews, of Talbot, introduced the act repealing state aid. Then the discussion followed. I believed if we did not get the state aid we would lose the whole appropriation our city had made to the rode. We had up to that time paid some six, or eight or ten thousand dollars taxes towards it. I knew if I submitted to the passage of that bill, and we lost the state aid, our people would lose all this appropriation and it would be unsafe for me to go home. So I set assiduously to work to provide against it. I called upon Dr. Matthews and through the aid of my friend Mr. Murphy, whom I have known almost all my life, and been intimately associated with him, knowing it was his senator, I called upon him to assist me in this. Mr. Murphy was a member of the house at the time from Harris county. We succeeded finally in inducing the doctor, after presenting all our claims, and the amount of money this road had already spent upon the faith of state aid, and the large sum of money the city of Athens had appropriated, we got the doctor to consent to favor our road. I wanted him to except our road by name from the senate bill before it came to the house. He agreed to do it, but finally receded from that position, and agreed to put in a proviso in the bill which I have brought in, that you, gentlemen, if you see fit, may refer to. You will find from the original bill, under where the repeal is, the doctor put that proviso in, and the additional and last section, which gave the right under that proviso to carry this case into the courts. I was not content with it as it came to the house. I then went back to the doctor and held him to his promise, and got Mr Murphy to go with me. We called upon the doctor at the Kimball house, and after a very animated discussion, he finally agreed that the chairman of the judiciary committee should amend the bill to the extent of excepting our road by name. The chairman of the judiciary committee, by reason of absence, failed to do that. When the bill came into the house upon its passage I arose to amend it to that effect.

Mr Pierce, for some reason, took the position against what he had, as I considered, agreed to, and held that the amendment was unnecessary, superfluous legislation, by reason of the statement that I had made in behalf of the road, and that it was not necessary at all, that it was already excepted by that proviso. I was not content with it and was not willing to risk it.

I got my friend Captain Irvine, who was then a senator from Habersham, to introduce a resolution, which resolution excepted the road, declaratory of the meaning of that act. It passed the senate, and when it came to the house Mr. Murphy and I succeeded in getting the resolution passed there. I do not know that it is necessary to tell all that has transpired since that time up to the question of the indorsement of the bonds

Mr. Preston. The only thing we want is not for you to give any opinion as to the legality of the signing of the bonds by Governor Colquitt, but as to Mr. Murphy's connection with it, and your connection with Mr. Murphy. A. This shows you how much I was interested. I had no interest in the question save for my people and by my peculiar relations thereto.

When I came to see Governor Smith about it, you remember the question of the indorsement arose prior to the expiration of his term. The governor and I were not on the best of terms, and I did not have much to say to him. What I did say was through Mr. McDaniel. After it was passed over to Governor Colquit's administration, I became very much interested in the indorsement of the bonds, and made many visits up to Atlanta to see the governor in relation to it, acquainting him with the facts which I have stated and how the matter proceeded in the legislature. The governor all the time left me to infer that, whilst he felt a kindly interest in the road, the embarrassments put in his way by his predecessor and the actions of the courts, etc., would not permit him to do it. I still besieged him, and it would take me from now till night to tell all I did say to the governor. I came time and again, and finally I pretty well despaired of of his doing it, not because he wanted to act unjustly in the matter, but because he honestly thought it would be detrimental to the interests of the state, overriding the opinion of the courts, as you are all familiar with, and the various presentations made in the matter. And yet he was in search of light and information in regard to it. He never closed the question. I do not think, from the conversations that the governor had with me, that he thought that these opinions of the courts were altogether correct, and that it appeared to be overriding an immense amount of testimony against the opinion.

You will see the importance of that mention in the extension of my remarks. I had pretty well given it up, and finally came to Atlanta and had a conference with my friend, Mr. Murphy, who was perfectly familiar with all the facts of the legislation. We had a conference, and talked, and I believe I introduced the subject of the resolution, and I even left then with very little hope of it. I left Atlanta in despair, in regard to my road, but believing that the governor was perfectly honest in his position. I knew this, that if he could be convinced that it would be right to indorse the bonds, he would do it; and that he would not do it until he was satisfied under the law in doing it.

I received, one afternoon, a message from Dr. Little, the state geologist, who had received a telegram calling for me to come to Atlanta, and to come prepared to stay an indefinite length of time. And I think, as well as I remember, the doctor communicated the fact, that I might come prepared to go to Macon and Savannah. I came up, not knowing what it was, and came to see Murphy, knowing the telegram was from him, and we consulted about it. He told me what his views were in regard to it, and I thought from the various conversations we had had, and his views in regard to it, that he had probably struck the right note. I was acting entirely under his instruction.

Mr. Glenn. What did he tell you was his plan? A. That if we could get a declaration from the prominent members of the legislature, in regard to the intention of that resolution, the object of the legislature in passing it, that it would have great weight. His idea was to bring proof positive that that resolution made a positive exception of that road, as regarded the repealing act, and that it was so intended by the legislature.

We remained here a day or two, arranging the plans. Mr Murphy was the principal actor in that plan. Finally we went to Macon, and when we arrived there, he suggested that I go to see Major Bacon, and that he would go to see Colonel Simmons, and told me after seeing Mr Bacon, to meet him at Mr Pierce's office. Going to Mr Pierce's office and not finding him there, I went to Colonel Simmons's office, and there found Mr. Murphy. We then repaired to Mr Pierce's office, and he was out. My recollection is that we met him on the sidewalk, and had a conversation with him. I told him the object of our visit down there, and I suggested that having mentioned the object of the whole thing to Major Bacon, he had suggested that we all meet at his house that night. I communicated the fact to those other gentlemen, and that was the agreement, that we were to go to Major Bacon's house that night, and did so. After tea there was a consultation among the different gentlemen. Finding that they all pretty well agreed, we requested Major Bacon to do the writing, to draw up the instrument. Of course that instrument was subject to the suggestions and views of the gentlemen present. I think about the only alteration made was such as would suit the purposes and views of Mr Murphy and myself, as well as I recollect.

Well we got that—remained over a day, and we expected to go from Macon to Savannah, but just before leaving here, we saw Colonel Lester and Mr Mercer, two gentlemen we were in search of, and of course we did not go to Savannah for them, as we knew they were in attendance upon the supreme court. We got their signatures to this instrument. We also found General Lawton in town here. We did not get his signature to that paper. He was not a member of the legislature at the time, but knowing that he was a prominet lawyer, and as there was much legal evidence being gathered in regard to this case, I believe we in consultation suggested that General Lawton be requested to call upon the governor. He did, for he told me afterwards he did; and I believe the governor told me General Lawton had been to see him.

Well, that testimony was laid upon the governor's table. After it was all got, I think it was a day or two perhaps after we had got the other testimony. I do not recollect positively as to the dates, but Mr. Murphy suggested that we get Mr. McDaniel to aid us. And we went into his office, and I wrote a letter to Mr. McDaniel requesting him to send a letter to the governor. And I sent him a copy of the paper these other gentlemen had signed. Mr. McDaniel did so promptly and wrote me a letter, in which he said it was with great pleasure he did it; that he was familiar with the facts and recognized the justice of our claim to the indorsement, and that he had that day signed and sent to the governor the copy of the communication signed by Bacon and others and which I had enclosed to him, which all were, I suppose, laid on the governor's table.

That I believe, gentlemen, about concludes my connection with the matter, as well as I recollect. One other thing: We did go to see Mr. Rufus Lester. Mr. Murphy suggested that he had seen him, and he had said he would co-operate with these other gentlemen. I was delegated and went down and got a letter from Colonel Lester. I brought it up, and after reading it over it was decided that perhaps it was not very satisfactory for our purpose. Mr. Lester took this position, that under the new constitution he doubted very capitally whether this matter would be legitimate, and not being strong on the line, we did not use the letter. I believe I have got that letter.

Mr. Glenn. You did not put it in because he had expressed this doubt on the new constitution? A. Yes, sir.

Q. If I understand you, when you and Mr. Murphy were both members of the legislature, Murphy assisted you all he could in trying to get this legislation favorable to the road; he was an active co-operator? A. Yes, sir. There was a double reason for that. He was the friend of me and of my people; and the man who had introduced the repealing act was his senator.

Q. He assisted you all he could in this legislature? A. He did.

Q. Afterwards, when he telegraphed you to come to Atlanta, you still had the same motives for getting this indorsement? A. Yes, sir; I had but the one motive.

Q. You then went to work to assist him! A. I did, sir; acting under his directions. I think the evening he arrived here, I went immediately to his office and he told me to follow his directions, and I told him I would not do anything except what he advised. He said: "Don't say anything to anybody," but to just go on under his direction, and I did follow it.

Q. He told you he had a plan by which he thought he could get it, and that plan was to bring to bear upon the governor the opinions of prominent members as to the intentions of the legislature? A. Yes, sir.

Q. Did you know anything about Mr Murphy's contract with Mr Morrill? A. Not a thing—nothing in the world. The first intimation I ever had of it was seeing it published in the newspapers.

Q. You said in your statement that you had about given up all hope of getting the indorsement? A. Yes, sir; I had.

Q. Did not Governor Colquitt impress you all the time with the idea that he thought the road was equitably entitled to it, but that these things were in the way? A. Yes, sir; Governor Colquitt felt that there was a right to the indorsement, but it seemed when this corporation had carried the question into court it would be exceedingly improper for him as the chief executive to be hasty in this matter until it was finally settled that the state was safe in it, and that it was right and just under the law and constitution. Governor Colquitt furthermore insisted that this question of the indorsement of the bonds ought to be postponed until the legislature. I objected to it upon the ground that there were executions or claims pending against the road, and the road would go to sale before the legislature could meet, and that to decline it, or rather, to take that view of it, and refer it the legislature, would be virtually to refuse the indorsement. I did not see the difference.

Q. Do you remember when Mr. Hill went to Washington in November, that fall, before this indorsement? A. I do.

Q. State to the committee whether he had lost hope in it, and whether he stated so to you when he came out of the governor's office? A. Mr. Hill and I came from Athens together coming up here to see the governor. When I got to the depot Mr. Hill was aboard. We rode together and talked all the way to Atlanta about it. He told me he was going to come and make the last final effort to Governor Colquitt to get the indorsement, and whilst he did not ask me to accompany him, he insisted that I should make earnest appeals to the governor and strengthen him in every possible way. I said: "Mr. Hill, your policy has been different from mine, and I think we had better act separately." And we talked in a general way. I do not remember all that passed.

The next morning when I came up to see the governor, I met Mr. Hill coming out of the governor's chamber, at the head of the steps. We stood and talked a little while. As well as I recollect, he told me that he had made an earnest appeal to the governor, and he thought without hope; that he had pretty well despaired of the indorsement for the road. And I communicated that fact, as well as I remember, to my people when I went back. And having great confidence in Mr. Hill's judgment, I think they gave it up.

Q. Was that the evening before he went to Washington? A. I do not know. He left in a day or two for Washington. I know I gave him goodby at the head of the steps.

Q. Did you get Mr. Trammell's indorsement? A. Yes, sir.

Q. Mr. Murphy said that you expected to go to Dalton. A. That was the expectation. Mr. Trammell, to our great surprise, we heard, was in town. Mr. Murphy came and told me he was in town, and that I must go and see him at once; and I think we tracked him up here for about a mile, and finally found him out here at the factory.

Q. You did expect to go to Dalton? A. We would have gone to Dalton if we had not found him here. The plan of Mr. Murphy was to get all the prominent members of the legislature, the president of the senate, the speaker of the house, the chairman of the judiciary and finance committees of the two branches, and other prominent members that might occur to us, and get their opinions. I know that was Mr. Murphy's purpose. He asked me when I got here if I had money to travel on, and he told me where we were going. We were to go to all these points. It was a mere accident we met these gentlemen in Atlanta. Otherwise we should have gone to all these points. That is the plan, as Mr. Murphy gave it to me, when I got here.

Mr. Wright. Your relations with Mr. Murphy were very intimate and confidential? A. Altogether so.

Q. Did he ever intimate to you in any way, shape or form any improper influences to be brought to bear upon the governor to secure the indorsement of these bonds. A. No, sir; he did not. When he first suggested he plan to me, I did not think he was as confident of the indorsement by that plan as I was. As soon as he suggested it to me I was overwhelmed with it by reason of the intense interest I felt, and I thought there was great weight in it. Still he entertained doubts as to it to the very last. No, sir; I had no intimation of any improper influences at all. I was acting for the reasons that I have given. Mr Murphy was my friend in the matter—at least I considered it a very great act of friendship on his part to give me the advantage of his assistance.

Mr Hammond. Did Mr Murphy intimate to you at any time during the progress of these negotiations that he had any pecuniary interest at stake in the procurement of the indorsement of the bonds? A. He did not. I did know it until I saw it in the papers.

Q. You supposed that he was simply acting from a friendly interest in you and your people? A. Well, I did not know. He might have had other motives. He had always been my friend.

Q. I say so far as you knew? A. Yes, sir; so far as I knew.

Mr. Preston. Did you hear from Governor Colquitt anything that led you to believe that the governor knew that Mr Murphy was actuated by a large fee, or anything of that sort? A. Not a thing, sir. I have the honest belief that he did not know anything about it. Though, if he did know that, his actions were certainly very strange, for, according to what I have seen in the papers, it would have been a very strange action on the part of the governor, if he knew there was a fee. Even at the very last, the governor wanted to know of me in regard to these executions and suits that were pending. I telegraphed Howell Cobb, the attorney of the road, to come here and give the information to the governor, and he satisfied him fully of the fact, that to delay the indorsement would be to sacrifice the road.

Mr. Preston. And so far as you learned from Governor Colquitt, one of his objects in signing the bonds, just at the time he did, was in order to prevent these suits from going into execution and thereby jeopardize the road? A. Yes, sir; he was exceedingly anxious to delay it.

Q. They were signed just at that time in order to prevent that calamity upon the road? A. Yes, sir; I am proud of the privilege of coming in here and giving my testimony, if it will tend to relieve the accusations against these parties, for I know, from my own connection with them, that they are unjust and untrue.

FERDINAND PHINIZY, Sworn:

Governor Colquitt. I will ask you about the interviews you had with me about the number of them, and the purport of the second and the third? A. I had three conversations with the governor on the subject of the indorsement of the Northeastern railroad bonds. After the first conversation he did not refuse to indorse them, and did not say he would indorse them either. He did not give any opinion. The second conversation was very nearly the same, I think.

Governor Colquitt. State the result of the second conversation—what it caused you to do about seeing the board of directors? A. At the second conversation he did not agree to indorse them then, and I became very much alarmed, fearing we would not get the indorsement. I returned home to Athens, and called some of the members of the board together, and I advised to make some other arrangements about paying the debts of the company, that judgments were to be entered against the company in the course a few weeks for upwards of $200,000. I advised them to sell the road to some one, and I thought they could make a sale at that time, and possibly might save something for the stockholders, and thus we might get our debts paid. It was not a regular meeting of the board, and the directors that I conversed with thought best to wait awhile, and did not think it necessary to offer to sell then. I became more interested after that conversation, and I returned to Atlanta the next week, and called to see Governor Colquitt again. I recollect distinctly what passed at that interview. It was then my opinion that if these bonds were not indorsed that the railroad would be sold, and our stockholders would lose every dollar invested, and our town would lose all of its subscription, and our business would be greatly injured. The town might become a local station in the event the Georgia railroad should get hold of it, and I thought it very important that the governor should do something for us, and I had built this road upon the faith of the state's indorsement. Governor Smith had told us that if we conformed strictly with the law he would give us the indorsement, and I thought it was then time to do something that we might save our property. He asked me if I could not save the road myself? I told him I could not do that; I had indorsed for the company and lent them as much money as I could lend them; that my debt would go into judgment along with the rest, and I intended to shift for myself. I do not know anything else that occurred. It has been a long time.

Q. How long after that before you received the news of the indorsement? A. About a week or ten days; very soon after that.

Q. Didn't I urge that you should undertake it with your money and credit, and tide it ove until the legislature should meet—stated that my object was to save the people, and that they must save themselves if they could. A. Yes, sir. I told you I could not do that; I had advanced for the company as much as I was willing to advance; that I was an indorser in the bank then for a very large amount, and I was not willing to get in further; but I recollect telling you that all the country along there would be injured—greatly injured—if any other corporation got hold of this road. At that interview you did not tell me whether you would indorse or not. I had heard, about that time, that some other parties had got an opinion of the president of the senate and speaker of the house; I had heard that the day or two before, and I thought you were rather more inclined after that interview than before, but you did not tell me then that you would do it, though I was left in better spirits in my mind.

Mr. Glenn. The governor seemed to appreciate the difficulty that things were in? A. Yes, sir; I stated that; that after he found out that there was no relief for us, he seemed somewhat troubled. I told him that there was no relief; that the property would have to be sold.

Q. That seemed to make some impression upon him? A. Yes, sir.

Mr ———. Are you the president of the road? A. I am not a president nor a director. At that time I was not. They have elected me at every convention since that time, but I have declined, and they still elect me. I have not been connected with the road for two or three years. I gave notice when the road was completed that I would not serve.

Governor Colquitt. What would have been the result if the bonds had not been indorsed at that time? A. The road would have been sold, because I could not wait, and others could not any longer. I was not going to allow my own credit to go down to save the road.

Adjourned to 9 o'clock to-morrow morning.

WEDNESDAY, 9 A. M.

Committee met. Quorum present. Chairman presiding.

N. J. HAMMOND, Sworn:

Mr Humber. I will state that there is some conflict between the parties, some misunderstanding in regard to Governor Colquitt's consulting with Colonel Hammond as to the legality of signing those bonds. Governor Colquitt testified that he never consulted with Colonel Hammond nor talked with him about it, but that he had his written opinion. I would like Colonel Hammond to state if the governor ever consulted with him in regard to the bonds.

Mr Cox. I would like to ask him a question. Colonel, I will get you to state if you delivered an opinion as attorney-general to Governor Smith in reference to the legal rights of the Northeastern railroad company to this indorsement? A. I did deliver such an opinion about the middle of November, before Governor Smith went out of office. It is in writing, and a copy on file.

Q. This copy of file is a true copy of the opinion? A. It is. All the opinions that I delivered while attorney-general were in writing, and I copied them upon my impression books that I kept at my office, and when it was ascertained that my opinion upon that subject could not be found on file, I was told of that fact and requested to furnish my impression book to Governor Colquitt for the purpose of getting a copy of file there. When it was furnished it was observed that quite a number of words were blurred in the copying so that in some places it was illegible. I helped Mr Baird read these places by the context, and in that way I got a copy which I suppose is of file now. I have my copy-book at my office.

Q. This copy is substantially your opinion. A. Oh, yes, sir; I aided Mr Baird in reading it. He said he could not read it correctly, and I aided him in reading that.

Mr Preston. That opinion was given against the signing of the bonds. A. Yes; it states that very clearly.

Q. We have not seen the opinion. A. My opinion was that the governor could not legally indorse the bonds.

Mr Cox. You were then attorney-general of the state, and gave that opinion in your official capacity? A. Yes, sir.

Mr Humber. I would ask one question in regard to the original charter of this Northeastern railroad company. Have you ever examined the original copy of that act? A. No, sir.

Q. Only the printed one? A. Only the printed one. That was the one before me when I delivered the opinion.

Mr Glenn. There were two charters—one presented in the house, the other in the senate? A. I am talking about the one that is in the book published in the acts of the legislature.

Dr Casey. Wasn't that opinion given upon the actual condition of the road then, that they had not complied with the contract, and therefore not in a condition to ask for the indorsement? A. The substance of the opinion is that it was a mixed question of law and fact; that the law required them to have a section of twenty mills completed before any right could vest; but whether they were completed or not when the repealing act was passed was a question of fact to be investigated. I then concluded, as I remember, with the direction that, while that was the law, if the governor felt that there was any moral obligation upon the state to make the indorsement, while technically the road was not entitled to the indorsement, no harm could come to the road in postponing them from that time until the general assembly met, and then the executive could get instructions from the general assembly as to what to do.

Mr. Humber. Will you state whether you have ever had any conversation with Governor Colquitt since he has been governor in regard to the indorsement by the state of the Northeastern railroad bonds? A. I had such a consultation.

Q. State when and where it took place? A. The place was in the governor's office where it is now. The exact date I can't give. I think I can give other dates that will approximate it. According to my recollection, I ceased to be attorney-general on the 18th day of January, 1877. I say according to my recollection. I fix that from the fact that, on that day, I addressed a letter to the governor offering to turn over my papers to my successor. I refreshed my memory by that letter. I left home on the 10th day of the following February, and was away from home until the 7th day of the following March. The conversation which I had with the governor, I think, must have been between the 18th day of January and the 10th day of February. What time between these dates I can't exactly tell. I have been trying to find out by some memoranda, but I could not. I find a letter from Colonel Avery, his secretary, dated the 25th January, asking me to please send Governor Colquitt my office copy of my opinion on the subject of the indorsement of the bonds, which copy was in the book that I have been speaking of. Now, whether my talk with Governor Colquitt was before the 25th of January, before he got that office copy or afterwards, I can't remember. I can relate the substance of it; it may throw some light on the date; that is all the answer I can make to your question as to the place and time.

Q. Will you state the substance of that interview? A. I am not sure that the governor had ever seen my opinion. He sent for me. The messenger came and said Governor Colquitt desired to see me. He took me in his room, and asked me, as I now remember it, the substance of that opinion, and upon what facts it was based. I told him that the facts upon which it was based were according to my custom narrated in the beginning of the opinion. Upon these facts I gave the opinion as I remember it. He then asked, if certain other mentioned facts existed, whether that would change my mind. I told him I thought not. We had some conversation about it, in which the Governor, I thought, expressed the idea that there was a moral obligation upon the state, he thought, to indorse these bonds, if they in substance complied. I simply told him, deciding the case as the attorney-general, I had simply decided it as a mere question of law, that I looked upon the road as demanding something from the state; their right to that was the question submitted to me as an officer of the state. Whether that demand was authorized by law and fact, I had decided in that view of it, I stated that in deciding the law I had nothing to do with the moral question at all. That is as near as I can remember the substance of the conversation. There was no formal matter—nothing to make any impression upon anybody's mind. The governor simply asked me my opinion; I thought then that the prevailing idea upon his mind was, that there was considerable moral right in the claim of the road, and just answered him from a dry legal standpoint that in giving my opinion, I had nothing to do with the morals of the question.

Mr Preston. What facts do you now remember that he asked you of? A. I don't remember any facts. The only way in which I remember it at all is the fact that I measured them by my standard. If the facts came within my standard he could make the indorsement. If they fell short of it he could not. To illustrate my idea, it was just this: Suppose an appropriation bill for me should give me one hundred dollars when it was proved clearly from the concurrent history, and everything connected with the case that it was the intention of the general assembly to give me a thousand dollars. My idea was that, with the attorney-general's advice, the governor would be obliged to say: "You could not pay Hammond but that one hundred dollars; for there is no law for it, though the moral right and equity may be for a thousand dollars, you have to wait for an appropriation to be made." I don't know what facts he put to me, but I only said, "You do not take the case out of the law where I put it." That is my recollection of the substance of it.

Governor Colquitt. I wish to state here, I do not know what was the object of Mr Hammond's introduction, unless it was to show that I did have a conversation with him. Since you mention it, that interview was before I had seen your written opinion. That was the interview we had. We had no record of it here. A. Perhaps, governor, it may aid in the matter if you knew how early you commenced inquiring into the matter.

Governor Colquitt. In the statement which I made, I believe the question was asked as to whether I consulted you on the subject. I remarked, we had your legal opinion, which contained all your views. I did not pretend to doubt at all that I had some conversation with you, but I rested the fact as to the consultation upon the legal opinion that we had here in writing. We sent to him for a copy of it.

(Handing witness a paper) Mr. Cox. Colonel Hammond, I don't know that this is your handwriting? A. This opinion delivered to me is the original opinion I was called on by some one, soon after Governor Colquitt became governor, and I ceased to be attorney-general, for the use of my impression book in which this original was impressed to get a copy of it. That person stated that the original opinion could not be found in the archives of the government. I suppose it has been found since. There is no provision of law for preserving the opinions of the attorney-general, and the practice, so far as I know, is to put them in pigeon boxes. Mr. Hammond, member of the committee, states that this original opinion of the attorney-general fell into the hands of the judiciary committee of the last house, and it might have been misplaced in that way.

Mr. Preston. The statement is made that there is no law requiring the opinions of the attorney-general to be kept in the executive office? A. I stated that there is no law as to how they ought to be kept, but they are generally kept by just putting them in the pigeon boxes.

Mr. Hall. Look at the paper. There has been some talk about the loss of that paper? A. That is my original opinion. Mr. Hammond, member of the committee, puts the following on the record: "When the judiciary committee of the last house of representatives were engaged in the investigation of this matter, that committee had before it a written paper purporting to be the original opinion. Attorney-General Hammond upon the matter of the indorsement of these bonds. The paper then before that committee resembles the paper now presented to this committee, and, in my opinion, is the same."

Mr. Hall. When was the committee in session? A. January, 1877.

Q. Do you know what the committee did with that paper. A. I do not. This thing came up at the heel of the session when everything was hurried.

Mr. Cox. I went into the executive office and asked Mr. Warren for it, and he handed it to me.

Governor Colquitt. If this investigation is to show that I failed to consult this opinion, I will state that I had it and examined it. I had read Colonel Hammond's opinion. It was before me. I stated distinctly that I had it before me. I did not have the original paper, but I got his copy from the impression book.

Mr. Hall. That was not the view that prompted me to ask this question of the witness, Hammond, and the committeeman, Hammond. It was this; the charge had been made that this original opinion had been spirited away. That was the charge which has been made on the streets, and that there was design in it, that there might be no adverse opinion on file. I want to show how it got out of the office.

Mr. Cox moves to put the original opinion of Attorney-General Hammond upon the record. Motion carried.

OPINION OF ATTORNEY-GENERAL HAMMOND.

ATLANTA, GA., 13th November, 1876.

His Excellency James M. Smith, Atlanta, Ga.—Governor: Yours of the 11th instant states the following facts, viz:

Under the act to open and construct a railroad from Athens, Ga., via Clarkesville, Habersham county, or some point on the Blue Ridge railroad near Clayton, approved October 27th, 1870, aid was granted for the construction of said road. Some work was done on the road, when the legislature passed an act, approved February 25th, 1874, entitled an act to repeal all provisions contained in the charters heretofore granted to different railroad companies in this state, granting state aid to such companies, when their right to the same has not vested. After the approval of this act, to-wit, on the 3d day of March, 1874, the legislature passed a joint resolution declaring that the provisions of this act should not apply to the Northeastern railroad. (see acts of 1874, page 437.)

No application for aid was made until long after the passage of the act and resolution mentioned. The company now, however, asks the indorsement of its bonds by the state in accordance with the provisions of the charter of the company.

You ask, "If the company has complied with the law granting aid to the company, should I indorse the bonds? Did the right to the aid vest in the company before the passage of the act of February 25, 1874? Did the state aid repealing act have the effect to repeal the provisions of the law granting aid to said company? If so, what legal effect did the joint resolution have upon the right of the company to such aid? If the laws deprived the company of the right, could the right be restored by a resolution of the general assembly?"

Assuming that the act of October 27, 1870, entitled "an act to open and construct a railroad from Athens, Georgia, to Clayton, Georgia, via Clarksville, in Habersham county, or some point on the Blue Ridge railroad, near Clayton, by the most practicable route" (acts of 1870, page 344, et. seq.) granted state aid to answer your question it is necessary to inquire upon what terms it was thereby granted. It incorporated certain persons for such purpose under the name of the "Northeastern railroad company," giving them certain general and certain special powers as to build such railroad, take lands, and consolidate with other railroads.

It then provided "that whenever said company shall have completed and fully equipped twenty continuous miles of road at either or both ends of its line, it shall be the duty of the governor of the state, and he is hereby required for and in behalf of the state to indorse the guaranty of the state on the first mortgage bonds of said railroad company to the extent of fifteen thousand dollars per mile for that portion thus finished, completed and equipped," and so on for other sections of twenty miles. It added that no such indorsement should be made even then, unless the governor "shall be satisfied" that "said road is free from all mortgages and other legal incumbrances that may endanger the security of the state" for such indorsement, and further provide for the security of the state, and fore nforcing such rights if it became necessary by taking and working said railroad, or selling the same. The twenty miles finished, completed and equipped, and free from legal incumbrances was certainly to be a condition precedent to any right to demand the indorsements. In 1825 Georgia passed an act to dispose of her public lands by lottery. It allowed persons upon payment of twenty-five cents to the commissioner to have a chance to draw a lot, and gave to all who drew such lots the right to a grant in fee therefor from the state "upon his paying into the treasury of this state the sum of eighteen dollars," and provided that a failure so to pay for, two years after the drawing, should work a forfeiture of his right and a reverting of the drawer's lot to the state. Under this act a lot was drawn, but the party did not pay the eighteen dollars. In 1843 the general assembly passed another law for a like purpose, and another person drew the same lot under this last law. A contest arose as to the title to the lot. The first drawer claimed that he had a vested right to the lot. The question being before our supreme court, that court said: "Admit the position assumed by the plaintiff in error that the act of the legislature is a contract. What sort of a contract is it? What are its terms and obligations, and what right does it confer upon the drawer? We must take into consideration all the terms and stipulations of the contract. The act declares if the citizen will give in his name to the person appointed, and pay him—not the state—twenty-five cents, he shall have a chance to draw a lot of land in the land lottery, at the same time the act declares to him, if you draw a lot you will be entitled to receive a grant for the same, conveying to you a fee simple title thereto when you pay into the treasury of the state the sum of eighteen dollars 'within two years,' etc., viewing it in the light of a contract between the drawer and the state, he having failed to comply with the terms of it on his part, no right to the land vested in him but the right to have a grant issued to him was forfeited by the express terms of the contract itself. Consequently, no right was violated or impaired which he had to the land under the contract by the passage of the act of 1843." (Brinsfield vs. Carter, 2 Ga. R., 146, et seq.) A distinction between the act of 1825, and this aid act, is that a fixed time was allowed for performance by the citizen in the former, and no limit is fixed by the latter. Does not the law imply a reasonable time in the latter case? The court did not hold it was a contract. The language lower down is, "if it is to be considered a contract." In 1851 the general assembly enacted that the county site of Lee county should be permanently at Starkville. In 1853-4 it repealed that, and provided for removing the county site. All effort was made to enjoin the removal, upon the ground that this last act impaired the obligation of the contract of the state with those who had bought lands, etc., in Starkville upon the faith of the permanency provided for by the act of 1851. The supreme court refused the injunction, holding "that the establishing of seats of justice is matter of political arrangement and expediency, and that in such matters one legislature has no right to bind all subsequent legislatures and all posterity, * * * * and that they purchased their interests qualified by the absolute right of the state, according to law, at any time to change the seat of justice."

The act of 1853-4 provided compensation to lot owners at Starkville, but the court held that it be "but a gratuity." Hamrick and others vs. Rause and others, 17 Ga. R., 56. Now the only companies to which state aid can be constitutionally granted are those building works of public improvement. (Constitution, code 5068.)

I think it would be neither fair construction to say that no legislature has a right to bind all subsequent legislatures and all posterity to aid the thirty-two railroads chartered by the general assembly of 1870, that these laws for promoting works of public improvement were also matters of political arrangement and expediency and might be repealed without violating any contract. But assuming them to be contracts they might be repealed as to any who had not complied with his part of it within a reasonable time, considering the nature of the work, etc., and that the general assembly is a proper judge of what time is reasonable. Whether the general assembly has repealed the act of 1870 granting aid to this company is a question of fact. On the 25th of February, 1874, the general assembly did enact "that the provisions contained in charters heretofore granted to different railroad companies in this state, by which the indorsement of the state is authorized to be placed upon the bonds of the company, no matter what the terms of the same may be, by which in any manner or form state aid is authorized to be granted to said companies, be and the same are hereby repealed; provided, that any company to whom such state aid has been granted which, prior to the passage of this act, shall have acquired a vested right to the same, shall not be affected by this act." And section second, That should any of said companies claim that they have a vested right to such aid, and apply for the same to the governor, any citizen of the state may interpose by bill to restrain the company, and the question of whether said vested right exists shall be for the court to determine. (Act of 1874, page 98.) If the company had so far complied with its part of the contract with the state as to entitle it to demand the indorsement upon submitting the proofs and making the mortgage required by law before the passage of this last act, then it "had acquired a vested right to the same," and this repealing act does not affect that company; otherwise it did. It is not necessary that the demand should have been made prior to twenty-fifth February, 1874, but only that the company was in position to make the demand at that time. Whether it was in such position is a mixed question of law and fact. I have given my view of the law, but am not furnished with the facts You should indorse or refuse to indorse according to the facts. I think it safe to say that if it had finished its first section of twenty miles and was entitled to the indorsement to that extent at that time the repealing act would not apply and you may indorse to its full length.

The resolution to which you call attention is as follows: "A resolution declaratory of the meaning of an act passed at this session of the general assembly repealing all state-aid to railroads. When rights have not been vested, so far as it relates to the Northeastern railroad, and it simply resolves, That the true intent and meaning of the above recited act repealing state aid, shall not apply to the Northeastern railroad company. Approved March 3d, 1874, acts of 1874, page 437." I have not had time to look but presume this resolution was read but once in each house. It therefore wants the essential of three readings to make a law, and cannot repeal a statute. As an interpretation of the law of case it was without jurisdiction because the courts alone have that power. See 4th Georgia reports 121; 9th, 213; 42d, 407.

If it meant to decide the fact as to whether this company had so far complied with its contract as to make its rights vested, it was without jurisdiction thus to change the act of 1870, which vested that authority in the governor, or that of 25th February, 1874, which left it with the governor unless brought before the courts by a citizen. This resolution may be treated as a nullity as to legal effect. I say legal effect, because I have considered this wholly as a point of strict law. This I think is right, for the following reasons: While the constitution recognizes the right of the general assembly to engage in works of "public improvements" (code §5019), its power in that regard is limited (code §5069). It is questionable whether the original grant of state aid to this company is not void because it "contains matter (state aid) different from what is expressed in the title thereof." Constitution (code §5056). The acts of 1871, December 11th, and 12th, acts of 1871-2, pages 16, 17, and the repealing act of 1874, show a decided disposition not to extend state aid. As a matter of law, therefore, when one demands your indorsement, it should be withheld unless the right thereto is clear. You should not seek to bind the state without clear authority. An indorsement of doubtful legality would perhaps greatly embarrass the state and probably do the company but little good and the construction can do no harm. If even outside of strict law the state is morally bound to make such indorsement, the next general assembly can provide therefor by law, and the time required to wait therefor will be amply repaid by relieving the bonds from all suspicion of invalidity. Respectfully,

N. J. HAMMOND,
Attorney-General.

GENERAL A. R. LAWTON, Sworn:

Mr. Hammond. Will you be good enough to state to the committee whether you have, since Governor Colquitt's induction into office as governor, had an interview with him in regard to the matter of the indorsement of the bonds of the Northeastern railroad company? If so, state the character of that interview, the circumstances, the agencies by whom it was procured and the purport of the interview, if you please. A. I had an interview with Governor Colquitt, which lasted but a few minutes. I was up here in attendance upon the supreme court; I cannot fix the date; it was immediately before the indorsement of the bonds, such as I remember it appeared in the public papers, within two or three days; I do not remember that the bonds had been indorsed, therefore it has fixed itself upon my mind that it was immediately before that; I received a message, delivered to me by whom I do not know; my general impression, however, is that the message came from Dr. Carlton, of Athens; I won't say positively that it came from him, but certainly from some one I knew very well. Said he: "The governor would like to see you." Whether the message said he wished to see me on that business, or whether, in general terms, he wanted to see me, I do not know. I went from the supreme court room into the governor's office. He asked me if I had considered this question, and what was my opinion in reference to the right of the road to the indorsement of its bonds. I stated that I did not know that an off-hand opinion of a lawyer was worth much, given under these circumstances; that when I was a member of the legislature I knew that some pressure had been brought to bear upon Governor Smith by gentlemen with whom I had personal acquaintance to indorse these bonds, and that had brought to my mind what was said on the subject then, though no action was taken in the legislature of which I was a member. I thought I did remember that my impression was that they were entitled to the indorsement; but to give an opinion off-hand, however, relating to the precise terms of acts, would not be easy to do. The governor then handed me a letter from General Toombs on the subject. I may have intimated myself that if he had gone into the question he would probably recite those portions of the acts that would recall to my memory on what my previous impressions had been placed. I read the letter, and after reading it I stated that his letter did recall the grounds upon which my opinions had been made up, so far as it was an opinion, and I saw now why was I thought they were entitled to the indorsement; and I still thought so. The conversation I suppose all the time that I was in the governor's office, except so much of the time as it took me to read that letter, I don't suppose lasted over fifteen minutes. I do not suppose the read ng of the letter lasted fifteen minutes.

I was not asked to write any opinion, and did not write anything; I never had any interview on the subject with anybody, except that one at that time. I entertained the opinion, I say. Though I use the term opinion rather grudgingly, because I did not consider an opinion of that sort worth much. The opinion of a lawyer, on so serious a subject, should be given upon grave consideration. However, I do not say that to modify anything I then stated. The same impression I had then, I have now, that they were entitled to that indorsement, that they had earned the indorsement, and that the law was such that they ought to get it.

Before the conversation ended, however, I remarked to the governor, that since he had been kind enough to seek my opinion or judgment on the subject, that I would suggest that I thought if this indorsement had been earned by the Northeastern railroad company at all, it was earned during the time of Governor Smith's administration; that I happened to know that, because I had seen all those here who were trying to get the indorsement, and that it might be a question whether, if he had refused it, it being a matter within his time, another executive ought to give it without bringing the matter before the legislature, not that the principle of res adjudicata would perhaps apply precisely to an executive act, but, nevertheless, something like it.

Governor Colquitt replied that it was understood that Governor Smith had not refused or declined to indorse, but that he had simply left it pending, and left it as a matter when he was going out of office, when last applied to, and said he was not willing to trouble with it. My remark was merely one of caution, and I stated that if the facts were not as I supposed they were, of course, that remark was of no importance. I did not know the facts myself, and I did not profess to know them, except from the rumor given me at the time. I had never been consulted, never given any advice; I had never seen the opinion that I learned since was given by the attorney-general. I knew very little about what sort of pressure was brought to bear upon Governor Smith, except that some of these gentlemen here were my friends, whom I had known before in Athens. I had heard the matter talked about. I do not say anything I say to qualify the opinion or impression that I had then, and have now, that from the time the forty miles were built they were entitled to the indorsement. That is all about which I was asked. It was to that only that I directed my remarks, except as to the single suggestion that if it had been refused once by a previous executive, it might be as well to consider whether the time had not passed for executive action.

I do not remember anything else that occurred between the governor and myself. If anything else did occur, and it were brought to my recollection in any way, I should be most happy to state it.

Q. Did you ever examine the act chartering that railroad company? A. I do not think I examined it at the time when I was in the governor's office; I do not think I did. I think I had once before, when the question was mooted that the decision on that case might affect some other question—that was when the tax question was up between the state and the railroads, perhaps.

Q. Did you have occasion to examine the title of that act? A. Yes, sir; I remember that my attention was called to it.

Q. Don't you remember that it did not express the intention of the legislature to do otherwise than simply charter the road? A. I do.

Q. Does it provide for giving state aid to the company? A. It is my recollection that it does not.

Q. You remembered that fact when you gave this opinion to the governor? A. I think I did.

Q. That it did not provide? A. Yes, sir.

Q. The preamble and title do not disclose that it was the intention of the state to give aid to that railroad? A. My impression is that I did know it at the time. I would like to repeat what I said before. I did not consider the opinion that I gave as one that I would like to be responsible for, as I would for opinions that I would give if I were called upon in a more solemn manner to examine and give in writing. But I have learned nothing since to change my opinion.

Mr. Cox. Was it mentioned in your conversation with the governor that the title to that act incorporating that railroad had that defect, if defect it might be called? A. I do not think my attention was called to it at that time. That is not my recollection. If it was, it must have been by something in General Toombs's letter, and I do not think there is anything in General Toombs's letter. I had never seen it before, and have never seen it since, but I do not think that letter calls attention to that fact.

D. P. HILL, Sworn:

Mr Glenn. Where do you live, and what is your business? A. I live in the city of Atlanta here; my profession is that of a lawyer; that is all the business I have.

Q. How long have you known John W Murphy? A. I have known him since 1850. I have known him for twenty-eight years.

Q. When did you know him, and what connection did he have with you before the war? A. I knew him when he was quite a boy in the town of Hamilton, Harris county, Georgia. After he got through school he read law in my office under me—was admitted to the bar and then practiced law with me as my partner, for a year or two, until the war commenced. He and I went into the service in the same regiment together.

Q. Now, after the war, did you know him, and did your intimacy with him continue? A. It did.

Q. Where did you move then after the war—to Atlanta? A. During the war when I left the service in the latter part of 1862, I went to Dougherty county, and I lived there over four years. I came from there to Atlanta.

Q. After Mr Murphy came to Atlanta to live—after he was elected, or appointed clerk of the treasury department—was your intimacy renewed at any time? A. Yes, sir; before that time—while he was a member of the legislature—he was here and at my house continually. He and I were bosom friends all the time.

Q. I will ask you as to his habit about consulting you in his business affairs? A. I suspect he has confided in me more implicitly than in any one on earth.

Q. When was the first time and from whom did you hear that Mr Murphy had been employed to try to obtain the indorsement of the Northeastern bonds, and state all your connection with Murphy about it? A. Sometime in the fall of last year, I am not certain in regard to the month exactly—September or November. I know it was in the fall, or early in the winter, he came to my office and told me that Tom Alexander and he had had a conversation, in which Tom Alexander said to him that he would like very much to get the indorsement of the governor upon the bonds of the Northeastern R. R. Co., and in that conversation Murphy said that he thought the bonds ought to be indorsed—that he was a member of the legislature, and that they were excepted from the act. That was Mr Murphy's opinion.

Q. Excepted from the repealing act? A. Yes, sir.

Q. And that they ought to be indorsed? A. He said that Alexander said to him then: "Well, Murphy, if you can procure the indorsement you can make a good fee," or something to that effect, and he then told me that Tom Alexander said to him that he could make ten or fifteen thousand. "Well," said I, "Wesley, that would be a very handsome fee, and I would like to see you make it." "Well," said he, "if I undertake this matter I want your assistance." "Well," said I, "Wess, anything I can do for you I will do." "Well," said he, "if I do I shall be paid for it, and I want to pay you." "Well, said he, "what ever you think right I am willing to pay you." Well, he talked more then in reference to his plans, and he and I agreed that the proper plan for him was to get the opinion of various members of the legislature, influential men, particularly the lawyers who were in the legislature at the time of the passage of the repealing act, as to this road being excepted and present them to the governor, with the opinion of such other persons as he might obtain. We talked that all over freely, and we agreed. "Well," says he, "I shall want your assistance, and I am willing to pay for it." "Very well," I told him, though I could not run about over the state to get these opinions of the men—that he would have to attend to that himself—that I would not leave the city.

Q. It was agreed that he would have to go about some to get these opinions? A. That is what I said—to go about and get the opinions of men in Savannah, Macon, Athens, Dalton, and various places. I do not know where. Everywhere wherever members of the legislature were that it was thought proper to get. Well, the thing passed along, and he told me from time to time what he was doing, and who was negotiating with him.

Q. Who did he say was negotiating with him? A. He said Mr Morrill, at that time president of the Citizens' bank.

Q. And of the rolling-mill company also? A. I don't know whether he was or not. He told me he was negotiating with him. I knew him as president of the Citizens' bank. I did not know him as president of the rolling-mill company. I knew nothing about that myself. He finally came to me (I had various conversations with him about it), and told me that he and Morrill were chaffering about the price at the different meetings between him and Morrill. I don't know the amount. I can't recollect, but finally he told me that they had agreed upon a price for his services.

Q. How much? A. $8,000. I remarked to him it was a good fee, and I thought he ought to try to work it up. He and I then agreed that he pay me five per cent. of the amount that he got, and that was the agreement.

Q. What were you to do, colonel? A. Direct him, and give him all the legal advice that he wanted. I did so, examined the statutes, and gave him my opinion on it—the acts of 1870, and the new constitution, and examined the que tion at full length, and gave it as my opinion that the bonds ought to be indorsed.

Q. You were not to do any outside work? A. None of the outside work. I did go, however, to see the governor and advise him that I thought the bonds ought to be indorsed; that it was right and proper for him to indorse them.

Q. You made an argument before him? A. I did; I talked as in a [illegible]. Well, after awhile the bonds were indorsed. It is unnecessary for me to state all the many [illegible] if I knew them. I knew that Doctor Carlton came here; I recollect his going to see Trammell—where he met him and all about it. He communicated with me frequently.

Q. He kept you posted as to his progress? A. All the time. He talked with me, and I with him; sometimes I saw him at my office, and sometimes at the treasury; I gave him the best advice that I knew how.

Q. Did he pay you five per cent. A. He did. He paid me $400.

Q. Did Mr Murphy at any time, during your conversations, with him intimate to you that he had any other plan by which he expected to get those indorsements than by the one he and you agreed upon, viz., to get the opinion of members of the legislature? A. Not that I know of. We agreed on a plan. He always had a great deal of confidence in my opinion. I don't think he ever made a move hardly, unless he consulted with me, in any important matter, because, as I told you, we had always been bosom friends, and in all his public career he has advised with me fully and freely, and confidingly, and I told him I thought that this plan would get the indorsement. I was satisfied of the legality of the indorsement, but Governor Smith having refused to indorse the bonds, I thought it was proper to give Governor Colquitt a bolstering up from public sentiment, and from various men who were acquainted with these acts, and get his indorsement.

Q. Did Mr. Murphy ever intimate or insinuate, or make any impression on your mind in any way, that he was going to obtain this indorsement by any unfair means, or by any collusion between Governor Colquitt and himself? A. Never in his life.

Q. Was the tone and manner of his conversation such as to impress you with any such idea? A. That he was taking advantage of Governor Colquitt in any way?

Q. No, no; that he was going to act in collusion with the governor—that he knew that the governor was going to indorse them? A. Never; never.

Q. You never had any such idea? A. Never; because I thought it was an experiment whether we could succeed or not.

Q. How did Mr. Murphy regard it? A. In the same light. He could not tell whether we would succeed or not; but we had agreed upon this plan, and we hoped to succeed by that; and, if we failed, I knew of no other plan.

Q. Did he show you the paper signed by Morrill—the contract? A. I saw one paper. After he told me he had agreed upon the price that he was to receive for his services, I advised with him that it ought to be in writing. He told me then it was put in writing, and that, I think, Judge Hoyt had the paper. I told him I would like to see that paper. He brought the paper to me. My recollection is now that it was signed by Mr. Morrill, as president of the Citizens' bank. He afterwards told me that he could not accomplish his purpose in the time designated in this paper, and that he must get an extension of the time or abandon the project. He then came to me and told me there was another paper drawn up, giving him an extension of time, but that it was in conformity with the first paper. That paper I do not think I ever saw.

Q. The second one? A. The second one. But he told me it was in conformity with the first paper, except the time. Therefore I did not care to see it, because I considered the first paper binding.

Mr. Hall. Did you ever have any talk with Morrill since the rumor was gone forth that he had said that Mr. Murphy had made certain representations to him in reference to his influence with the governor, in order to induce him to employ him to get the bonds indorsed? A. No, sir.

Q. Have you had no talk with Mr. Morrill since? A. No, sir.

Q. I understand you to say that Mr. Murphy and you agreed that your fee was conditional? A. Yes, sir.

Q. He could not agree to pay you a certain fee, as he might have to lose the money he was paying out on his expenses? A. Yes, sir.

Mr. Preston. In that conversation with Governor Colquitt, did you state to him or inform Governor Colquitt to what extent Mr. Murphy was interested in this matter? A. I did not. I said nothing about it; but gave him my opinion of this act. There is one question—I notice in the prints this morning—that they say something about somebody leaving the city.

Mr. Hall. About the old man leaving the city? A. Yes, sir.

Governor Colquitt. The only thing stated in the conversation with Mr. Hill about that, that Morrill told him, was that after the bonds were signed Mr. Murphy applied for the money and said the old man had to leave town? A. All I have got to say about that is this: that I urged Mr. Murphy, as soon as the bonds were signed, "Do you go and get the money." I wanted him to do that at once, for my idea was that when these matters are closed up, you should always get your money.

Mr. Hall. Mr. Murphy states that when he went to Morrill to get the contract he demanded that it should be in writing, and demanded it on your account. A. I told him that it ought to be in writing.

Mr. Glenn. And that you wanted to see the writing? A. Yes, sir; he brought the paper to me, but told me afterwards it was changed, but in conformity with the first, except as to giving a greater length of time.

Q. You say that Murphy went to Morrill to get the paper at your solicitation? A. He did; and as soon as the transaction was over, I said, "I want my fee, Wes," and he went to Morrill, and came back and paid me the money. He told me he had got it. I did not go with him.

Mr. Preston. Now, to refresh your mind, hadn't you in some conversation with Mr Murphy, before he went to get the money, spoken as the reason that you wanted to go off somewhere? A. I have no recollection. I frequently go off, and leave the city. I have no recollection about it; I may have done it, but I have no recollection of it. I have no recollection about going away, whether I went away, or did not go away, or what I said. I wanted to reach my fee, I admit that.

MR. J. W. RENFROE, Sworn:

Mr Glenn. You are the treasurer of Georgia? A. I am.

Q. Is Mr. Murphy your clerk? A. He is.

Q. Appointed by you? A. Yes, sir.

Q. Do you know W C Morrill? A. Yes.

Q. Have you had any conversation with W C Morrill, or heard him talking to Mr Murphy since this report got out about Mr Murphy's fee? A. Yes, sir; I have had three conversations with him.

Q. Did you have one before the legislature met? A. Yes, sir. I believe the second, after the committee was appointed.

Q. In that conversation. what did Mr Morrill say about Mr Murphy's representations to him, or Mr Murphy's contract with him as to his fee? A. One day while sitting at my desk, Morrill came in there and he and Murphy had a short conversation. He came in and sat down beside my desk, and Mr Murphy said he had heard some street rumors that he had made some remark about him, and connecting Governor Colquitt with having something to do with this fee of Murphy's and wanted to see him in person, and for him to give him the facts about it. Mr Morrill denied it; said he had never said anything of that sort. Murphy asked him some other question, and he said that he had never said that Governor Colquitt was connected with it in anyway, either directly or indirectly—that he never had said so, either by insinuation or innuendo—that he had employed Mr Murphy to do some work, and he had done it satisfactorily, and all parties were satisfied.

Q. Did Murphy ask Morrill whether he (Morrill) had stated to Mr Hill, or to anybody else, that he (Murphy) had represented that nobody else could get the indorsement, and that Murphy had also represented that there was an old man with a big office needed money—poor as Job's turkey? A. He asked him in this way: Murphy said the report had come to his ears that he had said to Mr Hill, that Mr Murphy connected Governor Colquitt with it in that way.

Q. Did he mention it in that way? A. I do not remember everything exactly, but that was the purport of it—that he had said to Mr Hill that he alluded to the governor. Mr Morrill denied it.

Q. Did he say whether he alluded to Governor Colquitt, or not? Did he say whether Mr Murphy had made any remark about an old man? A. He said he had not made any such remark—that he had no cause for telling Mr Hill any such a thing—that Murphy had not said so to him.

Q. Did Murphy ask Morrill in that conversation, when you were listening to it, whether Morrill had said anything to Mr Hill about an old man with a big office? A. I do not know that he made use of any such language as that.

Q. What was the substance of it? What did he say? A. I understood Mr Murphy's object to be to get Morrill to say to him what he had said in relation to it, inasmuch as he had heard that he made use of remarks of that sort. And he said I want you to say, in the presence of Renfroe, what I said, and whether I said anything connecting Governor Colquitt in anyway whatever, and he said, "You never have; you have never said anything to me, connecting Governor Colquitt with it in anyway, either directly or indirectly. But as to an old man, I don't think there was anything mentioned.

Q. Did you have any other conversations with Mr Morrill afterwards? A. Yes, sir. Morrill came into my office about the time this committee was appointed. I do not remember the exact day; but he came in and took the same seat on my right, and said he wanted to talk with me in reference to this matter. I told him I was not interested in the matter; that he had better talk with Murphy. He said that he wanted to bring about some settlement; that he did not care to talk with Murphy, but would reach Murphy through me. I told him if he had any proposition to make that I would convey it to Mr Murphy. He said he did not want to talk during office hours, but would come back at five o'clock. He went off and came back at five as he told me, but there were some other gentlemen in the office, and he went off. When I started home, he joined me on the street, and we walked on together. There were some ladies in front of us. He said, "Let us wait until we pass all of those ladies." We went on then, and went to my gate. He said to me he wanted to bring about a settlement of the whole affair, and it could be done if Mr Murphy would divide his fee with Senator Hill, and that he wanted me to say so to Mr Murphy, and to use my influence with him to get him to do that. He remarked that it could be done, if I would do that. I remarked to him that I did not see how it could be done, as the committee of investigation had been already appointed. He said he knew it could be done. He talked some time. I told him I had heard that Murphy said he would not give Mr Hill anything. He asked me if Judge Jackson was not a warm friend of Mr Murphy's. I told him he was. He said he would go and talk with him. He left me there, and went into Judge Jackson's. That night Judge Jackson's family and mine had been to Mr Johnson's. When I went home I found Judge Jackson at my house. He was waiting there for me. He mentioned the matter to me, that Morrill had made about the same remark to him, that if Mr Hill was settled with, it would settle this whole affair, and said he made the same remark to him that I did.

The morning after Mr Hill was examined, Morrill came into my office early that morning, and asked me if I knew what Hill testified to. I said I did not. And said he he was sorry I did not, as he wanted to know how to answer himself. He said he understood Mr Hill was very severe on somebody, and he said he wanted to know. He staid sometime, and said, "I am sorry you did not enter into that thing with me, and make that settlement." I told him I did not know how that could settle anything. He said, "Well, if that had been done Mr Hill's testimony would have been such as not to hurt anybody." I asked him how he knew. He said, "Well, I know; I know all about that."

Q. Did he say what his own testimony would have been? A. He did not say.

Q. Major Renfroe, when Mr Morrill first proposed this compromise to you, didn't you ask him how he knew it could be settled? And what was his reply? A. I asked him if he had any proposition from Mr. Hill. He did not say. I said then, "Get a proposition from Mr Hill, and if you want to convey that to Mr Murphy, through me, I will do so." In the next conversation he said if Mr Murphy would divide his fee with Mr Hill, the whole matter would be shut up.

Q. Did he say that he spoke by authority? A. Well, he said, "Well, I speak by authority. It could have been done if you had entered with me into that settlement, and got Murphy to divide his fee."

Q. I will ask you if you had anything to do with this fee of Mr. Murphy's? A. Nothing whatever; not the slightest.

Q. Got none of it—knew nothing about it? A. I got none of it—knew nothing at all.

Q. You say that you did not know that he had a fee? Did the fact of Mr. Murphy's being employed have any influence on your conduct in signing the bonds or hurrying up the signatures? A. Not the slightest. As soon as the order was passed, I understood from the parties that they were very anxious to get them done. I took the bonds out to my house, as I had done before when I signed the $2,000,000 and the $500,000. I took them out to my house because it is difficult at the office to sign your name uniformly when you are interrupted all the time. When at the National hotel, I signed the bonds at my room.

Q. How long were you signing those bonds? A. I do not remember exactly. I was two or three days at it. I worked at it at night some, till bed time.

Q. If the authorities of the Northeastern railroad had not come over from Athens after the governor passed his order—were not they hurrying up this signing? A. They were. They brought the bonds once before. Mr. Childs came over here himself and expressed great desire to get them.

Q. That was sometime before? A. Yes, sir; they were in a hurry to get them.

Mr. Glenn. Did Mr. Murphy, in that conversation with Morrill in your presence, ask Morrill whether he had said that he wanted to get his money; that he did not want it right then, but that the old man was going off and wanted it? A. No, sir; I did not hear anything of that sort.

Mr. Hall. Did Murphy, in his conversation with you, disclose to you what his plan was of getting the indorsement? A. Yes, sir.

Q. What was that? Did he tell you he was employed? A. Yes, sir; he told me that he had to leave the office, and asked me to excuse him; that he had to go around in order to get up a paper signed by the leading members of the legislature and various parties as to the intention of that legislature as to whether that railroad was to be excepted from the provisions of that bill withdrawing state aid, and that that was what he was going to do. I know that he told me that he was going to write to Dr. Carlton or to Dr. Little; he and Dr. Little talked in my presence. He told him that if he perfected a certain matter here he wanted him to send Dr. Carlton over here, if he telegraphed him. And he asked me to excuse him from the office for a few days to get up the papers.

Q. He told you that his purpose was to try to influence the governor by the opinions of the leading members of the legislature? A. That was exactly what he told me he was trying to do. He left the office for that purpose, and when he came back he told me that he had succeeded in getting the opinions. He mentioned some of them. I did not see the paper and do not know who had signed it. I only know that that was the line he was on.

Mr. Preston. Did you present the matter to Governor Colquitt in urging him to sign the bonds? A. I believe I did mention it to Governor Colquitt at one time. I think I did.

Q. Give him your opinion on the subject? A. I do not know that I particularly gave him any opinion. I do not know exactly what I said about it. I wanted to have an idea whether they were going to be signed or not.

Q. I believe you stated you knew nothing about Mr. Murphy's fee at all? A. I did say that I did not know anything about his fee.

Q. Did you know that Mr. Murphy was interested at the time you went to see the governor? A. I do not remember. I did not particularly go to see him on that matter. I was in the governor's office, and the matter was talked over about signing the bonds. I knew if the order was passed I would have to sign the coupons.

Q. You knew all the time that Murphy had been employed for a fee to try to obtain the indorsement? A. I knew that he was employed.

Q. Did that have any influence on you in going to the governor and trying to have the bonds indorsed? A. No, sir.

Mr. Humber. You stated that Morrill said the statement was made to him by authority? A. He did not state that Mr Hill was his authority. He did not say it. He spoke in that peculiar way. He said, "I know; I speak by authority." He did not say, but I inferred what it was; but I did know at all.

Governor Colquitt. In reference to those coupons, you did not go to signing them before the order was issued, did you? Oh, no sir. Of course I would not do that.

Mr. Hall. Did I understand you to sign the coupons, or simply to indorse them? A. I signed each coupon.

Q. You did it as treasurer of the state? A. Yes, sir.

Q. They were railroad bonds, were they not? A. Yes, sir; Northeastern railroad bonds.

Mr. Cox. How did you sign those coupons, on the back, as indorsing them? A. No, sir; the coupons are arranged to be signed by the treasurer and I think by an officer of the road, as well as I remember. But they are each one so indorsed by me as treasurer, because that is specified in writing. I forget exactly how the thing read.

Q. Is there one in the treasury of the state? A. I do not think there is. I will look and see. They are not state bonds, and I did not keep one. Of all the state bonds we keep one and have them registered. I do not think there is one of these.

Q. Did you sign as treasurer? A. There is an obligation in the coupon itself in order to show, if the coupon is detached, that it is indorsed by the state. Otherwise, if the coupon was detached, it would not show that it was indorsed by the state.

Q. Has the state had to pay anything on these bonds? A. No, sir.

Q. How much has fallen due on those bonds? A. I can not tell you. I forget the date of them now. I believe they were seven per cent. bonds. I think the interest is payable semi-annually.

W. S. THOMSON, Sworn:

Mr. Glenn. Are you a lawyer in Atlanta, of the firm of Candler & Thomson? A. I am, sir.

Q. Are you connected in any way with the rolling-mill? A. I am attorney of the rolling-mill.

Q. What else? A. A director.

Q. How long have you been attorney and director of the rolling-mill? A. Since January, 1876, I think, sir. I do not remember exactly the time. It may have been later. The Scofield rolling-mill failed in 1875. Goodnow was appointed receiver on the organization, early in 1876. I do not remember exactly the time; I became attorney afterwards.

Q. Since you have been director and attorney, what has been the order and instructions of the directors of the rolling mill company as to who should have charge of the litigation of the rolling-mill? A. I am the man, sir.

Q. You are the man? It was their instructions that you were to have charge of all of it? A. Yes, sir.

Q. The litigation in which they were interested? A. Yes, sir.

Q. Was Goodnow general manager at that time? A. Yes; he has been general manager ever since the reorganization up to this time.

Q. Is he now? A. Grant Wilkins is now.

Q. Was not Goodnow forced to quit that position? A. Yes, sir; he resigned. But he would have been discharged on the day that he resigned had he not resigned.

Q. Didn't he know that? A. Yes; he was notified of it at the previous meeting.

Q. He was forced to resign? A. I think so, sir.

Q. Why was he forced to resign? What was the matter? A. His management was very unsatisfactory to us.

Q. In what respect? A. In various respects. He had assumed control of the affairs of the company without warrant, and had everything in confusion, and was in arrears some $18,000.

Q. In plain language, that he was a defaulter for that amount? A. Well, I chose my words, because I do not know whether to class him as a defaulter exactly, after he stated that he could explain away what appeared to be a default. He was apparently a defaulter, but he said he could explain it. He has never done so.

Q. I will ask you if he has ever admitted to you that he was a defaulter to this amount? A. He admitted that he was indebted some two or three thousand dollars.

Q. That he was a defaulter to that amount? A. Well, I consider him a defaulter to that amount. And now, in stating that, I want to give the reason. Previous to the investigation, or when it first commenced, he did not admit anything, and then, in the progress of it, instead of its being $18,000, he said that there would be two or three thousand that he would be responsible for—that he was behind and could not account for. So that practically he is a defaulter. But that word has a legal signification, and hence it is that I use the terms that I do in regard to it.

Q. That the committee may know him, what is Mr Goodnow's character? A. It is bad, sir.

Q. What kind of a man is he? A. Well, he is a man where he is interested, that there is no reliance to be placed in his word whatever.

Q. In a matter in which he is interested in any way, would you believe him on his oath? A. Let me think.

Mr Cox. The questions are prescribed. Ask if he knows his general character.

Mr Glenn. Do you know his general character. A. I do, sir.

Q. Is it good or bad? A. Bad.

Q. From your knowledge of it, would you believe him on his oath? A. I do not believe I would, sir.

Q. Do not believe you would believe him? A. Now, let me state why. I have never known Mr Goodnow in any business transaction where his own interests were involved, and where he could be expected to tell the plain, unvarnished truth, that if it was to his interest at all, he did not tell that which was not true. The question that you propounded to me about believing him on oath—I have never heard him on oath, I think, but once, and I have reason to believe that he stated on oath what was false; but I don't know it.

Q. You allude to a different occasion from this time, as you did not hear him here? A. No, sir; it was a matter in a justice's court, where the question involved was, whether he was not a partner with McPhee in the rolling mill store. He may never have been, but there are some strong circumstantial evidences to show that he was.

Q. I will get you to state if, in the meeting of the directors of the rolling mill company, at which you and Goodnow were present, you did not state something about Goodnow's getting a watch-chain from Mr Scofield; and also about his demanding the transfer of stock from young Scofield before he would pay a debt he owed young Scofield; and also about his getting two or three one-hundred dollar notes from Scofield before he would pay him; and if Goodnow was not present and failed to deny it, and what he said to you after the meeting? A. Well, I was chairman of the investigating committee of the company, investigating his accounts, his conduct and his transactions. And at a meeting of the board, sometime in October, after the regular business had been transacted, Mr Goodnow remarked that he had thought that what transpired in the board was to be kept secret, but that it had been talked about. And I then stated that I had talked about it, and gave my reasons for it; that I was investigating his conduct, and it was necessary to talk to different persons who had knowledge of his transactions; and amongst others I had talked to Mr Scofield; and that Mr Scofield had told me that he was indebted to the rolling mill company for some castings; that Goodnow brought the account and proposed to Mr Scofield to take a gold chain that Scofield had as a credit of $50 on the account. Scofield consented to it and delivered Goodnow the chain; and Goodnow made an entry on the account of "deducted for defective castings, $50."

And I also stated that Mr Scofield had told me that in settling an indebtedness of $1,500 of the Atlanta rolling-mill to him, for the office building there, which was in one hundred-dollar notes, Goodnow had required before there was a settlement that Scofield should give him either two or three of the notes and a gold watch. I think it was two notes and the gold watch, instead of three notes, but of that I am not sure. And that Louis Scofield had stated that before the indebtedness to him, on the part of the rolling mill company, was settled by Goodnow, Goodnow had required that Louis should give him the stock that he owned in the rolling-mill company.

I stated that in the presence of the board of directors, and Mr Goodnow did not deny it at the time. When the meeting adjourned he spoke to me about it, and told me that I ought not to have brought up such matters at that time, but have spoken to him previously about it. I told him that I had intended doing so, but that the manner in which he had asked his questions about secrecy in the board, was an intimation that I was a tattler, and I purposed to let the board understand why it was that I was talking about private affairs. And he then said that Scofield ought not to have said that, because he did not propose it to Scofield, but that Scofield ran after him to get him to do what was done. He did not deny that. That was all that was said.

Q. He did not deny that it was true, but said it was Scofield's fault, and that Scofield asked him to do it, instead of his asking Scofield to do it? A. Yes, sir; that is it.

Q. Mr Thomson, do you know anything about that item of three thousand dollars on the suspense account in the rolling-mill's books? A. Goodnow refuses to tell what it is.

Q. Did you ever ask him? A. Yes, sir.

Q. And what did he say? A. Well, he waived it off. I do not remember exactly what he said, but he declined to say. I insisted, because it was my right to know, and I insisted upon knowing, but he would not tell me what it was; never would; never has. I do not know to this day.

Q. Does the rolling-mill company recognize his, Senator Hill's, fee contract, or are they resisting his suit to collect it? A. Resisting his suit, sir.

Q. Seriously? A. Oh, yes, sir.

Q. Did you have any conversation with Mr Hill about his fee, as to how he expected to get it? A. Yes, sir; several of them.

Q. What was the substance now; what fund did he look to get it? A. I do not know that I could answer that question. Mr Glenn, the whole thing is mixed up now, in various conversations; and I would have to go over the whole matter as well as I can. You see it involves a good many things. I could not answer a direct question in that way in the form you have put it.

Q. Did Mr Hill ever say anything to you about getting his fee, out of the money that Murphy got from Morrill? A. Yes, sir; he did. He expected to get it by virtue of the garnishment. His theory was that Mr Murphy was not entitled to it, and that if he got judgment against the company, he would be entitled to judgment against Mr Murphy.

Q. And get his fee out of that fund? A. Get his fee in that way.

Q. Did Mr Hill ever explain to you why the written contract was for $10,000, and his real fee for $7,000 only? A. I do not know that I can call it an explanation, but he spoke of the contract, and told me the circumstances connected with it.

Q. Why did he say it was written ten, when it was really seven? A. He did not say why it was written ten. This is about the way as well as I remember. He said that he was entitled only to seven thousand; that that was the amount; but when this contract was made and brought to him to sign, that he stated that he had nothing to do with it himself, that that was a matter between the rolling mill company and the Northeastern railroad company. But nevertheless he signed it.

Q. At whose request? Who asked him to sign it ten thousand? A. He signed it in that way, just as it was. But he said this though: that when he spoke of the seven thousand dollars, that was not the time when the contract was signed with Goodnow; that they had an understanding, that he agreed to perform the services for seven thousand dollars; but that Goodnow suggested that it be made $10,000. Then it seems that it was a surmise of Mr Hill's as to what Mr Goodnow's object was in making it $10,000. But I did not understand that Goodnow told him what the object was.

Q. What was Mr Goodnow's object according to Mr Hill's surmises? A. Surmise was that it would enable Goodnow to get off with $2,000—that Goodnow could get the railroad company to pay $5,000 with the understanding that they were paying only half the fee, then that would leave only two thousand to be paid by the company.

Q. Was there no surmise that Goodnow was to get three thousand himself, pay Hill seven thousand, and charge the rolling-mill company up with the remaining $3,000?

Mr Hammond objects to the question. Witness says, I do not think you can prove that by me exactly. It was about return day for the fall term of our court——

Q. Before any of this scandal was got up? A. I would rather you would waive that question. I can see where it involves me in a good deal of mystification, and I might do Mr Hill injustice.

Mr Glenn. I insist that the fee of Mr Hill is as much involved in this matter as Mr Murphy's fee. Now, Mr Thompson, when did you first hear of this contract about Mr Hill's fee? A. I think it was about the time the case was brought to the supreme court. I heard it from you the first time, if you can remember the time. It seems to me it was the day that the case was determined here in the supreme court.

Q. How did I come to tell you? A. Well, as well as I remember it, you told me that the rolling-mill was a party to the suit in some way, and that Mr Hill was representing the rolling-mill, and I thought that that was surely a mistake. I had never heard of it, and there was Mr Morrill himself, who was then present. No one else had properly any authority to employ counsel without my knowledge or consent.

Q. Now, Mr Thompson, I will ask you whether Goodnow, as general manager, had authority to employ Mr Hill, or anybody else, in any litigation in which the rolling-mill company is interested?

Mr Cox objects because it is immaterial.

Mr Glenn. I want to have it, because it contradicts Mr Goodnow. I ask that I be allowed to condict this man Goodnow whenever we can. Witness says Goodnow had no authority.

Q. Did Goodnow know that you were the manager of the litigation, and that he had no authority to employ counsel outside? A. Oh, yes; certainly he did. He could not have helped it. You see Mr Goodnow is one of these men that after the first year of his administration, he was taking charge of everything himself. He just assumed to overrule the directors and everybody else.

Q. Have you not heard Senator Hill frequently say that he did not believe Governor Colquitt got any of this money from Mr Murphy? A. Not frequently. I have heard him say so.

Q. How many times? A. It may have been as much as twice or three times; it may have been only once. I know he said so.

Q. Was he not very emphatic, that he knew he did not get any? A. Oh, yes. In this conversation in which I got the first information from Mr Hill that Murphy had gotten a fee, and he was discussing it in all its bearings, and that he said that he could not believe, that he could not think, that Governor Colquitt had anything to do with it. He was representing what he had heard Mr Mr Morrill say.

Q. Mr Thompson, there is one other question, and then I know I am through: Does Mr Hill represent the rolling-mill company in trying to get this money back from Murphy? Is he trying to repair any wrong to the rolling-mill company? Does he represent you all in that?

Mr. Humber. What can be the object of that question?

Mr. Glenn. Mr Hill has stated that his fee was not in the way, but that what he was after Murphy for, was that he was repairing the wrongs done his client I do not know how a man repairs wrongs done his client, when a client does not know he is doing it, and does not want him to do it.

Witness. You having stated that, I can answer the question; yet I must go on and make additional statements.

Mr. Glenn withdraws the question.

Mr. Preston. You say that you are the only lawyer who was entitled to be contracted with to represent the company in any manner? A. It was not a contract. I am regularly employed by the company, and that was the action of the company that I should be regularly employed for the time, and I did not need any further contract.

Q. That contract with Mr Murphy was made by Mr Morrill? A. Yes, sir.

Q. Had Mr Morrill any authority to contract with Mr Murphy? A. No special authority, except as the presiding officer of the corporation.

Q. Your company ratified his contract in the payment of the money to Mr Murphy? A. No, sir.

Q. Do you regard it as a transaction at all binding upon you as a company? A. We might so regard it; we are waiting to see. It has been said that there was bribery in it. If there is no bribery in it, I think we are inclined to let it rest. We think it was an exorbitant fee, but our presiding officer having contracted it, if it is all right, we do not propose to disturb it; but we do not want to ratify anything that has bribery in it, if it turns out that it has.

Q. Do you know any reason why your company should have more confidence in the ability of Mr Murphy to tranast that business than in you as their attorney? A. No, sir.

Q. Can you explain why the company was induced to employ Mr. Murphy, instead of calling on you to do the same work?. A. I cannot. I can only state, as to that, what Morrill told me was the reason of it. Since this transaction came out, he said that Mr. Murphy stated that he knew means that he thought would be sufficient to induce the governor to sign the bonds. He did not tell me at the time, but it turned out that it was to get certificates from Mr. Bacon and other gentlemen, that would satisfy the mind of Governor Colquitt that the indorsement ought to be made.

Q. Did Morrill consult you at all about his employment of Murphy? A. No, sir; I never heard of it until Mr. Hill brought the suit. I desire to state, in examining into the affairs of the company, I find that there was a charge of $8,000 for special services. I wanted to know what it was for. The book-keeper could not reply. That was several months ago. Well, the impression that I had was that a portion of it had been paid Mr. Hill, and that Mr. Goodnow had appropriated the balance. That was the idea that I had of it. I had never heard what Mr. Hill's fee was, but I had learned from Mr. Glenn that Mr. Hill was employed, and that was the return day for the fall term of Fulton superior court. I met Mr. Hill on Peachtree street. I do not remember just how the conversation arose, but it may be he asked me why our company did not pay his fee. "Why," said I, "you have been paid, haven't you?" He said he never had been. That surprised me. That afternoon, when he came back, he explained the transaction—what he had heard—and told me where the $8,000 went to. That was the first time I had ever heard of it.

Q. That transaction, then, so far as you and the other members of the company were concerned, was unknown? A. Judge Hoyt knew that. He is a director.

Q. It was carried on, then, by Judge Hoyt, Mr. Morrill and Mr. Murphy, without your knowledge? A. Yes, sir.

Q. Were you ever consulted about it at all? A. Never was.

Q. How about the other directors, Mr. Thompson? Did they have any knowledge of it? A. I do not think they did.

Q. It was a secret transaction between Morrill and these other parties? A. So far as I know.

Mr. Cox. Had Mr Morrill any authority to make this contract with Mr Murphy? A. That is what the presiding officer has asked. There was no special authority granted him, only such authority as might be conferred upon the presiding officer of a general corporation. He was president of the corporation.

Mr. Glenn. You state that you have not ratified the fee Mr Murphy got, because you heard these rumor, of its being used to bribe somebody? A. Yes, sir.

Q. If it turns out that there was no bribery in it, then you will ratify it as I understand? A. I think we shall, for the reason that so far as I am individually concerned, if I make a bad bargain I propose to stick to it; and Mr Morrill is president of the company, and if he made a bad bargain for us, that had no wrong in it, we will have to submit to it.

Q. You recognize his contract is legitimate if there was no bribery in it? A. Yes, sir.

Q. Mr Morrill had more authority to make contracts than Goodnow? A. Oh, yes; there was no authority specially taken from him, and he has all the authority that the president of a corporation would have.

Mr. Humber. Had not Goodnow been making contracts with other parties? Had he not been exercising that authority? A. His business had related to purchasing supplies.

Q. You said just now that he frequently exercised authority outside? A, Yes. sir; he is one of these devious men. He never made a straight trade if he could make it crooked. Instead of purchasing supplies and agreeing to pay so much for them, why he preferred to make a trade by which he would bring in two or three other parties and wind it around in some way and come out.

Q. Still he contracted frequently for the company without authority? A. Yes, sir; I suppose he did.

Mr. Glenn. Not this kind of a contract? A. Not that I know of.

Q. Was this entry of the gold watch chain that he got from Mr. Scofield, or of the two one-hundred dollar notes and the gold watch that he got from young Scofield, put on the books of the company? A. No, sir.

Q. Did the company get the benefit of that watch chain and of that stock and the watch and notes? A. No, sir; it does not appear upon the books, and the company never got the benefit of it.

I wish to state this: Where I said that the company was resisting Mr. Hill's fee, I want it understood that we are making a bona fide resistance. But my own judgment is that Mr. Hill, while not entitled to recover on the contract, would be entitled to recover upon a quantum meruit; that is my own individual opinion, and the company is resisting even that. But I rather think that if he went on and performed services for the company, although this contract was not such a one as would authorize him to recover on it, if Mr. Hill acted in good faith under it, I think he might recover on quantum meruit. And leaving the testimony just as I had stated it, would look as if we desired to deprive Mr. Hill of a fee. But it is not that. Whatever he is entitled to, is a mere legal question. The company want Mr. Hill paid, whatever he is entitled to, if they can pay it.

J. W. CULPEPPER, Sworn:

Mr. Glenn. Do you live in Atlanta? A. I do, sir.

Q. You are an expert book-keeper? A. I have been employed sometimes to examine accounts.

Q. Do you know William Goodnow? A. I do, sir.

Q. Have you been examining his accounts? A. I have examined the rolling-mill accounts of which he was general manager.

Q. I will get you to state to the committee whether or not he is a defaulter, or behind in his accounts with that mill, and how much? A. I was employed by the investigating committee to examine the treasurer's books. I took a balance-sheet from the books and found an account called the "suspense account." I merely reported that account to the investigating committee with the other accounts. I examined no vouchers. I suppose he meant by that account, that he had put out certain amounts of money which had not been applied to mill accounts, or to any proper book account. It means, in other words, that he had taken the money and not accounted for it with any proper vouchers.

Q. How much is he behind with the company? A. That is the question that the investigating committee is examining. I cannot say how much he is behind.

Q. What is the result of your examination? A. About $18,000, for which there seems to be no vouchers.

Q. Do you know Mr Goodnow's character? A. Only by reputation.

Mr Preston. Are you acquainted with the general character of William Goodnow? A. No, sir; I know nothing about his character; I know something about his reputation—nothing about his character.

Mr Glenn. Well, Major Culpepper, his general reputation is his general character; do you know it? A. I have heard a good many men say that he was not a reliable man.

Q. Do you know his reputation here in Atlanta? A. His reputation among the gentlemen with whom I associate is not very good.

Q. Do you know his reputation? that is the point. Do you know his general character? Do you know his reputation? A. I may say I do know his reputation.

Q. Is it good or bad? A. It is bad; very bad.

Q. Major, I don't know what you will say, but would you believe him on his oath in a matter where he is interested? A. I do not know that I would like to answer that.

Mr Preston. From your knowledge of that general character, would you believe him on his oath? A. I do not like to say that I would not believe any man on oath.

Mr Hall. Did I understand you to say that that suspense account is one not known in bookkeeping? A. It is customary sometimes with bookkeepers, when they make a payment and do not know where it legitimately belongs, whether to the private account, or to the expense account, or some other account, but it is a legitimate item, we simply call it "suspense account;" but there is a proper voucher for it. But there is no proper voucher for this suspense account of the rolling mill books.

Q. Who raised that account? A. It was raised by Mr. Goodnow himself.

Q. By his directions? A. I may say it must have been by his direction. He is the general manager of the mill and no account can be raised on his books without his knowledge and consent.

GEN. W. S. HOLT, Sworn:

Governor Colquitt. General Holt, you had a conversation, did you not, in Macon, with Mr Morrill, referring to matters involved in this investigation? A. Yes, sir; I had a short conversation with him.

Q. Please state it to the committee? A. The conversation I had with him was in reference to a report I had heard about the manner in which he got the state to indorse the bonds of the Northeastern railroad—I stated to him that I had heard that he said to a certain gentleman, that Mr Murphy had told him that if he would give him a certain amount of money, he would be enabled to get this indorsement; that I had understood further, that he said Murphy remarked to him that an old gentleman up stairs, with a high office, or something of that sort—gave him to understand, at least, that he would be interested, and that he could get the indorsement, and that the old gentlemen up stairs in a high office wanted some money, and wanted to retire from public life. I had heard that report, and that was the question I asked Mr Morrill. Morrill denied having said so. He said he did not state it. Then our conversation was interrupted by company. It was on the fair grounds, and I did not have an opportunity of saying more to him on the subject till I came up here some time ago. That was the only remark; that was about all that passed between us.

Q. You had no conversation with him here on that subject, in which he represented the same thing? A. Yes; he said the same thing. He said after the bonds were indorsed he had made an arrangement with Murphy to give him a certain amount of money. I think the amount mentioned was $8,000, provided the bonds were indorsed in a stipulated time, and that subsequently Mr. Murphy came to him and asked an extension of the time. Perhaps that was granted. After that, Murphy came to him and told him that the bonds were indorsed, and he wanted his fee. I believe Morrill remarked to him that he was in a very great hurry; that he did not know the bonds were indorsed, and that he must wait. And I think he said, as well as I can recollect, that Murphy said there were other parties interested with him, and one thing he said was that the old gentleman was going away to-night and wanted the money, was the reason he was so anxious to obtain it at that time.

Governor Colquitt. I wanted to bring out the fact, general, that that was the only time when he seemed to refer to other parties; that this was after the bonds were all signed; nothing was said about a man in a high position, until after the bonds were signed. A. Not at all. I asked him that question and he told me there was no such expression as that; that he had never said so.

Mr Humber. After the bonds were indorsed he did say it, though? A. Yes, sir.

Mr Hall. Morrill stated after the bonds were signed, or the order passed for their indorsement, that Mr Murphy came to him and told him that he wanted the money? A. Yes, sir.

Q. And that there was another party interested who wanted the money, that the old man was going off? A. That is the way I understood him.

Q. He did not mention any name, but merely said that there was another man wanted the money? A. He did not mention any name at all.

Mr Northern. Who was this certain gentleman to whom you allude? A. I do not like to tell anything, unless I could tell it exactly right. I got my information from Mr Nutting; and Mr Nutting said he got his information from Mr. Hill; and that is one reason I asked the question of Mr Morrill, because I am intimately connected with him officially in railroad matters. I got that information from Mr Nutting; and he said Mr Hill told him that.

Mr. Preston. What Hill is that? A. B H Hill, senator.

Mr Glenn. Did you mean, general, when you say you asked Morrill if he had stated these things to another party, did you mean Senator Hill? A. I did not mean anybody. I wanted to know if he had said so.

Q. Said so to Mr Hill? A. No; I asked him if he had said it.

Q. You did not mention Mr Hill's name to Mr Morrill? A. No, sir; I do not think I mentioned his name.

Q. He is the man you alluded to? A. Yes, sir; I alluded to him from the fact that Mr Nutting told me he got his information from him.

Mr. Hall. Did you say that you asked Morrill if Mr. Murphy had said such things to him? A. Yes, sir; about an old man, high in office, who wanted to retire from public life, and something of that sort.

Q. And he said Murphy did not say such things? A. He said not. Mr W B Johnston was present perhaps at the time when Morrill said so. We were sitting in the carriage in the fair ground.

B. F. MOORE, Sworn:

Mr. Glenn. Mr Moore, you are the principal of Moore's business college, are you not? A. Yes, sir.

Q. Are you an expert in book-keeping? A. That is what the folks call me.

Q. Have you been examining of late the books of the Atlanta rolling-mill company, through the general management of William Goodnow? A. No, sir; never have examined the books.

Q. Did you ever, in looking at the books of William Goodnow, come up with an item on the expense account of $3,000? A. There was an item of that kind.

Q. What were you doing? A. Preparing a statement for Mr Goodnow.

Q. Did you ask him what that item was? A. I think I did.

Q. What was his reply? A. It was a reply that he would not, that he could not inform me what it was for; he would not inform any one, he said.

Q. Why? A. I did not ask him the reason.

Q. Didn't he state that if he informed any one what it was, it would criminate somebody? A. No, sir.

Q. Anything like that? A. Nothing like that.

Adjourned to to-morrow 9 o'clock.

Thursday, 21st November, 1878, 9 a. m.

Committee met; quorum present; chairman presiding.

W. W. CLARK, Sworn:

Mr. Glenn. Where do you live? A. Covington, Ga.

Q. What is your business? A. My profession that of the law.

Q. Are you acquainted with William Goodnow? A. I am, sir.

Q. Are you well acquainted with his general character? A. I doubt, sir, whether I can answer that question—his general character.

Q. Well, of course, you are a lawyer, and know what it means? A. I will state this and the difficulty in my mind, the legal gentlemen present will appreciate, I think. From the time of the troubles, which began with the rolling-mill a number of years ago, down to the present time, I have had a good deal of intercourse with him. I attempted to move him from the position to which he was appointed by the court, and in furtherance of that object, I went to Milwaukee where I supposed I could best ascertain his character.

Q. Is that where he formerly lived? A. That is my understanding, and I think so. I learnt in Milwaukee that he had formerly been in business there. I went to Milwaukee for that purpose, and returned with some affidavits. I desired to attack his character. Those were ex parte affidavits, and I have put them, perhaps, in the hands of Mr Herring, whom I was representing at the time. After that, upon a decree taken here, I was counsel in the case for the first mortgage bonds. I had frequent interviews with him, and as one of the representatives of the first mortgage bondholders I have had some interviews, and some little trouble with Goodnow in regard to various payments under that decree. If these conversations I have had frequently with him and some other persons—perhaps half a dozen, in this town, and I have often heard his character mentioned—if that constitutes the general character in terms of the law, I can give it. That is all I know. I had met him frequently and had business communications with him.

Q. While you were making efforts to remove him, didn't you examine into his general character and reputation and standing? A. I did that in Milwaukee.

Q. That was where he formerly lived? A. Yes, sir.

Q. You satisfied yourself as to his general character there? A. I did.

Q. Did you find anything here in Atlanta changing that general character? A. On the contra y.

Q. Well, sir, I think myself you are acquainted with it, and, unless somebody objects, I will ask you whether that character is good or bad? A. It was bad.

Q. From your knowledge of it, would you believe him on his oath? A. I would not.

Q. Now, Colonel Clark, I will ask you to state to the committee what you found out about him, and what kind of a man he is?

Objection by Mr. Hall on the ground that it is illegal for the side introducing an impeaching witness to inquire into specific facts as to the foundation of the impeaching witness's opinion.

Mr. Glenn withdraws the question.

Mr. Northern. In order that the committee may determine for itself, please state the facts upon which you base your opinion of the character of the witness.

A. After the appointment of Goodnow as receiver of the rolling mill, as above stated, I went to Milwaukee. We had a motion before Judge Knight in the absence of the judge here. Being unable to remove him, it was determined by the parties who held the bonds of the rolling mill company for me to go to Milwaukee for the purpose of learning his character. I carried some letters of introduction, and on delivering the letters of introduction and making known my business, one gentleman was kind enough to send around for other gentlemen, some five or six of the city of Milwaukee, to meet me at his office. When they were assembled, he stated to them my object in coming there. Perhaps there may have been more, as many as eight or ten. He stated that my object was to ascertain the character of William Goodnow; that he had obtained control of some property in Georgia, and that my object was to remove him from the trust. One gentleman replied—perhaps the remark was this: "Damn him; he has got no character." Another one was that he was a thief; that he had swindled the people there in some business he had transacted; and a good many harsh expressions of that kind. I stated: "I would like to have your affidavits." They stated to me: "Have you got interrogatories, or how do you purpose to take our testimony?" I stated that it was necessary only to take their affidavits. They stated they did not desire to volunteer in a case of that kind, but that if I had the necessary authority to compel the testimony, that they will give it willingly, and they dropped out, after a very general conversation in regard to the manner of his management of some funds there, I believe. He had managed, perhaps, some trust funds. The conversation was a very general one, and the remarks very bitter against him. They dropped out until there were, perhaps, only two or three left—perhaps those who felt most upon the subject. They gave me their views.

I have looked for those affidavits; I think, perhaps, I turned them over to Mr Herring on my return; in which they stated that his character was very bad; that he had acted fraudulently and, perhaps, been guilty of breaches of trust and things of that kind. I can only speak of the general character they gave him.

I stopped also in Chicago, and procured an affidavit or two there. I was directed by some gentlemen in Milwaukee to go there, that I would get perhaps some of his victims there. That is the way they talked about him in Milwaukee, and said that in Chicago they would perhaps be better able to tell me particular facts. And I was delayed there a day or two, getting up this testimony. I got but one affidavit in Chicago; but it was all of that character.

Being a representative of the bondholders soon after we obtained a decree and it became unnecessary for me to use that testimony. It was, therefore, thrown aside.

Being one of the attorneys of the bondholders, I have had frequent interviews with Goodnow here, and his prevarications, his want of truth his failure to comply with promises, got to be a source of very considerable trouble to me, and aggravated me very considerably. I have talked to him very roughly. At one time, out here at the mill, when there was trouble, I saved him perhaps from the operatives tearing him up on account of his bad conduct towards them. I said to them, "This is a scoundrel; I have no doubt about that; but you shall not hurt him while I am here' he is under my protection."

I do not know that I can say anything except in that general sort of way.

Q. What kind of men were those in Milwaukee who came over there to meet you? A. I am very unfortunate in regard to names—one of them was the owner of the largest rolling mill in the west, whom I carried a letter of introduction to. It was in his office I met those gentlemen he sent for, various citizens in the city, who had had transactions with Goodnow, and my understanding at the time was that they were men of business and character and good standing in Milwaukee.

Q. Did they have that appearance to you? A. I have no doubt about it that they were. The expressions of indignation against him were those of men who were vexed at him.

Mr Hall. You say you do not remember the names of those persons? A. I do not; but I can get the names and give them.

Mr Northern. Do you remember the name of the rolling mill? A. I can get all that. I looked for those papers when I returned home on Saturday, and I have been unable to put my hands on them. I inquired for them of Mr Herring's agent in Augusta. I may have overlooked them. They may be at home. If I can procure the names and the affidavits I will find them.

B. F. SAWYER, Sworn:

Mr. Hall. Where do you reside? And give your name. A. My name is B F Sawyer; reside in Rome.

Q. What is your profession? A. I am editor and publisher of the Rome Tribune.

Q. Do you recollect writing an article, or do you recollect that there appeared in that paper, in the latter part of October, or first part of November, in reference to the reports in circulation about Governor Colquitt and Mr Murphy in relation to the fee of Mr Murphy from the rolling mill company, to secure the indorsement? A. Such an article did appear. I cannot recollect the precise date, however.

Q. Are you the author of the article? A. Yes, sir.

Q. I have not the article here and have to rely upon my memory. My recollection is that you went on to say something about the reports, probably that if the reports were not true, that "the facts were bad enough, God knows," or some such expression as that? A. I do not recollect that lan uage. I recollect stating that I hoped the report is not true; that the matter ought to be investigated, and if true, the parties ought to be punished if not true; that is, those who slandered the good name of the governor ought to be. I do not recollect whether I used the words, "the facts are bad enough, God knows,' or' not.

Q. Then you said something about rumors; the idea was that the rumor made out a case which you could not believe at all; that the facts were bad enough, God knows. Now, Mr. Sawyer, you say you do not remember whether you used that language or not? A. I do not.

Q. Will you be kind enough to send us a copy of it? Have you any facts in reference to that matter? A. None, within my own knowledge; all that I got from hearsay and other parties.

Q. What facts did you have when you wrote that article? A. The article was based upon the common street rumor, growing out of the difficulty between Mr. Murphy and Mr. Hill.

Q. Based upon the rumors that you found floating in Atlanta, that grew out of the difficulty, the street rencounter between Mr. Hill and Mr. Murphy? That is all that you knew? A. Yes, sir; all that I knew.

Q. Is that all that you now know? A. Yes, sir; all that I know.

Mr. Preston. Were you in Atlanta and heard the rumors yourself, or did some one report them to you? A. They were reported to me.

Q. At Rome? A. Yes, sir.

Q. Have you, since you wrote that article, learnt that the rumors you first heard, or those you now hear, are different from the facts now offered to the public? A. No, sir; I do not know what the facts are, except that I hear a little floating around here of new testimony produced before this committee. So far, that sustains the statement I then made. I gave the rumor as I then had it. We only wrote one article on the subject.

Q. Your idea at that time was that the intimation that a clerk in the treasury acted with the governor, was bad enough; that is what you meant? A. Yes, sir.

Q. You did not mean to have it stated that there were any facts that went to show that Governor Colquitt was in collusion with a clerk in the treasury department? A. I did not go to say that any facts that I knew then would justify any charge.

Q. But if the rumors were true? A. Then, that they were sufficient to demand an investigation.

Q. So you have got no facts yourself? A. I have no facts at all

Mr. Hall. Did you publish extracts from a letter received from Mr. Hill? A. No, sir; in a subsequent article I published an extract of a letter from the Evening News, of Augusta, written by Mr. Hill. I did not publish any letter from Mr. Hill.

GENERAL ALFRED AUSTELL, Sworn:

Mr Hall. Give your name to the clerk. A. Alfred Austell.

Q. In what business are you engaged? A. Banking and farming.

Q. Were you in any way interested in having the state indorse the bonds of the Northeastern railroad company? A. Only so far as the rolling-mill was concerned. I was a stockholder in that.

Q. Did you hold some of the bonds as collateral security? A. I am holding some now.

Q. I say the company held some? A. I held none of them until after the indorsement was made.

Q. The rolling-mill company held them as collateral security until they were indorsed? A. The mill might have had them. I don't know anything about that.

Q. Did you ever have any interview with Governor Colquitt on the subject? A. I did tell him if it was right and proper, I would be glad to have the indorsement; if not, not to do it. That is about all.

Q. What did the governor say? A. He said that is a very frank way of putting it, and he admired it.

Q. Was that the last interview you had with him? A. The last on that subject.

Q. How long was that before the bonds were indorsed? A. I cannot tell you.

Q. Two or three weeks? A. I cannot tell you, my dear sir.

Q. Well, my dear sir, give your best recollection? A. My best recollection is I cannot tell—sometime before the indorsement was made; not very long.

Q. Well, a week? A. Yes, sir; I presume more than a week.

Q. Two weeks? A. About two weeks; I expect it was or more.

Q. Three weeks? A. I have no recollection about the dates.

Q. It must have been between two and three weeks? A. Yes, sir.

Q. In that interview, the last interview you had with him, and you say the only one you had on the subject, you said you wanted the indorsement of the bonds, if the law allowed it, and he said that was a very frank way of putting the case? A. Yes, sir; yes, sir; that is all.

Mr. Cox. Did the governor, at that time, state whether he would or would not sign those bonds? A. No, sir; he did not.

HENRY W. GRADY, Recalled:

Mr. Hall. Mr. Grady, Mr. Humber and I were informed, a few days ago, that you had a conversation with Mr. Murphy, some short while before this investigation was instituted, or perhaps after it had been instituted, in which he said that he got this $8,000; that he had got many other $8,000 fees, or many other fees of that amount, and intended to make some more in future. Did you have a conversation with him in which he made any such statement as that? A. I did not, sir.

Mr. Cox. Did you have a conver ation in which he stated anything about having made an $8,000 fee, or fees of any other amount? A. No, sir.

Q. Did you have any conversation upon that subject-matter at all? A. Well, not upon the subject of making fees. The conversation was just this—it was hardly a conversation, because I was not asking him any questions and he was not answering any. There was a crowd there, several persons present, and they were discussing the possibility of Mr. Hill making his fee, or making his money out of Mr. Murphy. And Mr. Murphy was very positive that he could not; he said that he had earned the money honestly and intended to keep it. Somebody made the remark about $8,000 being a good, steadfast thing, or something of the sort. "Yes, he said, I have got that and several thousand more and I propose to keep it." Those are about his words as near as I can remember. I repeated that conversation, once I remember, to Mr Ben Hill, jr., and I heard of it again, The other day he brought it up again, and asked me whether or not I understood by it that Murphy meant that he had taken several other fees. I told him I could not say that I understood that; he said he had that and several thousand more, and it might just have meant that he had other money; and that he was good for the amount. In fact, I went to Mr Murphy again, and asked the question, and he said that that was what he did mean, and that that was what he said, that he had that $8,000 and enough more to be good against any judgment.

Mr Glenn. Against any judgment Mr Hill might get against him? A. Yes, sir; I will state that after he had made that remark, I thought that inference had been put on it. In order to be perfectly certain about it, I mentioned to Mr Murphy, in your presence, I believe, what he had said, exactly as he was apt to be quoted, and he said he meant that he had that $8,000, and several thousand dollars more. I then went to Mr Howell, who was present when the remark was made, and asked him how he understood it. He said his recollection was about as mine. When the remark came up, by Ben Hill, jr., I stated that I could not say that he had said he had several $8,000 fees; that he had stated that he had that and had other money besides.

Q. Ben Hill, jr., was the man that seemed to be investigating this subject of what Murphy had said? A. I do not know that, sir.

Q. Isn't he the only one that asked you about it? A. I think he is.

Mr Humber. I will say it was not through him that I heard it, and it did not come through him at all.

The Witness. The only reason I mention the matter at all is, that he had a conversation with me about it, day before yesterday. We had talked about it before, and I told him Mr Murphy had not intended to convey the idea that he had several, or more than one, $8,000 fees.

Mr. Glenn. There was no inference that he had many other $8,000 fee, in any such manner as he made this? A. There was no inference about this. The remark was this, that he had that, and more besides. There was a crowd present.

Q. It was after this scandal had arisen? A. Oh, yes; because that was what we were talking about.

Mr. Hall. I will call attention to one thing in justice to the witness, that is all. The other day, when before the committee, you made a statement in reference to the reasons you gave to Ben Hill, jr., about not going to see his father. Mr. Hill, jr., gave a different statement about it. You said the reason you assigned was, that you got Senator Hill's version of the matter from Ben Hill, jr. Mr. Hill says you stated no such thing to him. You told me the other day that there was an explanation, perhaps, that would show there was no discrepancy between him and you. A. If you will refer to my testimony, you will see that I did not give Mr Hill that reason. I stated that I did not. I did not give him any reason why I did not go to his father. I did not consider it necessary. The only point I made was this, that I felt I had satisfied myself as to the correctness of the story I intended to publish about Mr Hill, by Ben Hill, jr.'s confirmation of the story. I did not give that reason to Mr Hill. I stated that was the reason that I did not go to him.

There is another thing I do not know about my testimony. I did not state at any time that I declined to allow Mr. Hill to see that article of mine. I declined to go and look him up to show it to him. He could have called at The Constitution office any time, and seen the article.

Mr Glenn. You say you and Murphy talked about that matter in my presence; I will ask you, if it was not before you were notified to be here this morning? A. Yes, sir; several days ago. My cause for it was, that I simply heard that that inference had been put upon my remark.

Mr Hall gives notice that he will move a reconsideration of the action on yesterday in reference to going back to the house and senate for instructions.

Friday, 22 November, 9 a. m., '78.

Committee met pursuant to adjournment.

Various discussions followed; no action taken.

Adjourned to Monday, 25th November, 1878, 9 a. m.

Monday, 25 November, '78, 9 a. m.

Committee met; quorum present; chairman presiding.

SENATOR B. H. HILL.

There is one statement that I desire to make, that I omitted in my examination. In the statement I made before the committee before, I did not go at all into the arguments, which I used before Governor Colquitt, as reasons why he should indorse those bonds. I considered them as arguments and not facts, and therefore not proper evidence. And passing over that whole period of arguments, I omitted one thing that is a fact, that I ought, I think, under my oath to state, especially since Attorney-General Ely has testified. It is this: Some time after the supreme court decision, which evaded the main question, as you will see by reference to it, I said this to Governor Colquitt: "We believe that the company is honestly entitled to this indorsement under the law—a great many of the best lawyers in the state concur in that belief. There are other lawyers who think the company is not entitled to that indorsement. Now, governor, if you refuse altogether to indorse, there will be no way in the world to test that question. A mandamus under our law does not lie against the governor; and by refusing to indorse, you not only deprive the company of the indorsement, but you deprive them of the chance to test their right to the indorsement, which I think is wrong." I told him that while the mandamus did not lie against the governor, it did lie against the treasurer; and I proposed that he make an indorsement to test the question; and that we would agree to take a coupon of an indorsed bond before the treasurer with the understanding that the treasurer should refuse to pay it, alleging, as reason for his refusal, that there was no legal authority for the governor to indorse the bonds. We would then apply to the mandamus against the treasurer and bring the question directly before the court in a form that they could not evade the merits.

I was especially anxious for that, because the court below did not decide the question on its merits. Judge Rice, who decided it, if you will examine the record, on the ground that the resolution was not read three times on three different days in each house. I think the reason is stated in the record, but I learn it is true. That was his specific reason upon which all the others were based. The supreme court dodged the whole question, and decided upon a question not made in the record at all by anybody. And I was anxious to have the question decided in the case. And I urged upon the governor that by his refusal to indorse at all, he deprived us of the chance to make that question. We wanted to make it. While the governor did not positively refuse, he did not agree, and it was not done. He simply did not accept the proposition.

Governor Colquitt. That was only to be considered, you remember, in the event that I absolutely declined to sign the bonds at all. If I declined to sign the bonds, then your proposition was to give your company an opportunity to test the question in court as to whether they were entitled to it.

Mr. Hill. You may have had that understanding, governor. I do not remember that any reason was given at all. You never in any interview with me either positively agreed or declined to sign the bonds. You were hesitating, and I was anxious on account of the question of time. Under this mandamus proceeding you can test a question in a very few weeks, and I pressed it upon you for that reason. Of course, if you had determined to sign the bonds, that would have settled the question at once. I had such confidence, I must say to the committee, in the right of the company to the indorsement that I was perfectly willing to test the question in such a way that the court could not evade it, and I was perfectly willing to relieve the governor of the responsibility of signing the bonds upon his own motion, and willing to test the question on mandamus.

Mr. Hall. You proposed that he should indorse one bond, and the treasurer should refuse to sign the coupons?

Mr. Hill. Oh, no; the treasurer to sign the coupon, and we would present it for payment. Some of the coupons were past due, you know. I told him of course the company could pay these coupons, but we would refuse to pay, just to make the test. It was a test case; that was the idea. And then of course, if the court decided that the company was entitled to the indorsement, and that the answer of the treasurer was not good, why of course the governor could complete the indorsement; if not, why he would be exonerated. That was my idea; I know I pressed upon him pretty heavily the injustice of denying the company a chance to test their rights, when so many good lawyers thought it was their right.

MAJOR R. N. ELY, Recalled.

Senator Hill. Major Ely, the state of Georgia was not a party to this suit? A. No, sir; not formally.

Q. Nor was the state bound by any judgment that could be rendered in it? A. I suppose not, as a legal proposition.

Q. Certainly; simply to enlighten the conscience of the governor. Didn't I explain to you, however, when I came to you, that I desired you to attend, for the purpose of seeing to it, that all the points were fully and fairly made? A. Well, you did state to me that. However, I do not know, Mr Hill, whether you said I should attend the trial first or not. You remember you came to my office and stated that the bill had been filed by Morris against the Northeastern railroad company for an injunction. I then said that I supposed the governor would desire me to represent the state in that litigation, and whether you first suggested it, or I, I cannot state.

Q. Don't you remember that I said I would ask the governor myself to send you? A. It may be that you did.

Q. And the object of asking you to come because the state was no party? Didn't I express to you my desire that the governor might be satisfied that all the points in the case were fully and fairly presented to the judge? A. I do not remember.

Q. What reason could I give but that? A. I do not remember whether you did desire me to go or not.

Q. Didn't I come to your office? A. Yes.

Q. You didn't come to me about it? A. No.

Q. And I came and informed you that the suit had begun? A. Yes, sir.

Q. What reason that I could have for coming to you and informing you? A. I do not remember distinctly.

Q. You say it is not the reason I state? A. No, sir; I do not state that.

Q. You went to the first hearing of the suit at Gainesville? A. Yes, sir.

Q. The parties to the record were all ready to go on with the hearing? A. All except myself.

Q. You insisted upon a postponement? A. Yes, sir; because I had not had an opportunity of examining the record.

Q. The others were all ready to go on? A. As far as I know, and according to my recollection about it, they were.

Q. Now, Major Ely, didn't I propose to you there, at that time, that the object of your being present was to see that the case was fairly presented? A. Yes, sir.

Q. And that I would request that you should hear the argument presented, sit by and hear, as the lawyers had prepared the case, and if the argument was presented in a manner satisfactory to you, that—why the decision could be rendered; if not, if, after the hearing of both sides, you were not satisfied that the case had been fully and fairly presented, then we would agree to postpone to enable you to be heard? A. I do not remember as to that, Mr. Hill. I think that you insisted on the case being tried and heard then; and you stated that it would not be necessary for me to make any argument in the case, or to insist very strongly on the rights of the state. I said, you know, that I would not represent the case at all unless Judge Rice would give me an opportunity of examining the record; that I could not represent the state fairly unless time was given to me. And the time was given.

Q. Was not time given by consent? A. I think so; I am not sure.

Q. Entirely. And was not I the man that advised that we consent? A. I am not sure; it may be so.

Q. The judge of course could not hear you, as you were not a party to the record? A. I think he could.

Q. But he could not. Don't you remember that I put the idea that you need not make an argument on the ground that after hearing the attorneys on both sides, if you should be satisfied that the case was fairly presented, there your duties would be nominal, and you need not make a case? Didn't I represent that it was expensive for five lawyers to come from Atlanta and Athens to Gainesville, and it was delaying a matter that was all ready, and I proposed that you hear the argument, and if you were satisfied with their argument, then you need not be heard? A. I could not remember all the details now.

Q. When the case came to the supreme court, didn't you move to dismiss the bill of exceptions, because you were not served with the bill of exceptions? A. I may have done so; I have not looked at the record.

Q. Don't you remember the supreme court overruled the motion on the ground that the state was no party? A. I may have made that motion.

Q. Were not all my remonstrances with you about the case made to prevent delay only? Did I say anything to prevent you from exerting your legal efforts to the best of your ability, if you desired? A. When I stated that I supposed the governor would require me to represent the case, and that I would have to have time in order to prepare the case, what I understood was, that although I might be there, it would not be necessary, you thought, for me to take any active part in the case, or for me to make an argument.

Q. Unless you desired it? A. It is possible you may have said that. You said that the rights of the road to the indorsement were very strong, and there could be no doubt about it, and it would have a tendency to hurt everybody that did not give the indorsement, the governor and everybody else connected with it; that the record made a very strong case. I said I could not represent the state in that way; that the governor had not called upon me to do so; that I would inform the governor, if he expected me to represent the case in that way, that I could not do it. I did tell the governor afterwards of the conversation and I said to him, that I could not represent the state, unless I did my whole duty, in attempting to show, if I could, that the state was not bound to make the indorsement. And that was when you came to my office, in going up on the train, on the first visit that we made up there. We had another conversation—

Q. We did notgo up there together. A. I think we did.

Q. No; I came from Athens. A. It was either that time or the second time we went up, I know, on either one or the other of the two visits, we went together on the train. I desire to state, gentlemen—

Mr. Glenn. What was your second conversation? A. I do not remember, Mr Glenn, about one conversation from another, and that, I remember, is the substance—

Q. I mean the conversation when you went up with Mr Hill to Gainesville. What was the substance of that? A. Pretty much to the same purport.

Q. What purport? A. Just as I have stated. Mr Hill thought that my duty did not require me—and I could not pretend to remember the language—that my duty would not require me to present any very active opposition to the indorsement; that he thought the indorsement proper and right, clearly legal, and that although I might be there to represent the state, yet he did not think that my duty required me to make any very labored argument about it. That is about as near as I can remember it.

Governor Colquitt. I wish to ask about one point to prevent any misapprehension. I remember you stated in a conversation with me, you told me you could not represent the state in any qualified way. I did not make any suggestion to you to that effect? A. No, sir; not at all. I understood you to approve of my advice on the sucject entirely. And another thing confirms me about my recollection about it was, that I spoke to General Toombs on the subject, and asked his advice about it soon after my conversation with Mr. Hill.

Mr. Hall. I understand that that case you spoke of, there in Gainesville, was a bill filed by Morris against the Northeastern railroad company? A. Yes, sir.

Q. In which the court granted an injunction, and that injunction was against the Northeastern railroad company, restraining that corporation from applying to the governor for the indorsement of the bonds of the company. Judge Rice granted the injunction? A. Yes, sir.

Q. Restraining the railroad company from applying for the indorsement? A. Yes, sir.

Q. Did you hear the decision? Did he give the reasons? A. Yes; I heard the decision.

Q. On what ground did he put that decision? A. He put it on two grounds, I think, first, that they had no vested right; and second, that the resolution of the legislature was not sufficient to repeal the law, the act of 1874 repealing state aid. That is my recollection. I would not state though these things positively, because it is a matter of record. But it seems to me, probably, he must have put it though on both those grounds, because either one of those grounds, if he had ruled in favor of the road, would have entitled them to the indorsement. That was substantially the ground, as I understood it.

Q. On those two grounds: first, that they had no vested rights; and second, that the resolution could not make an exception to the act of 1874. A. Yes, sir. I desire to state to the gentlemen of the committee, I do not know how my evidence is down about the question asked me by Judge Hall as to whether in my informal interview with the governor I suggested to him that these bonds should not be indorsed, or should be indorsed. I desire to state now, to remove all misconception, that there may be on that subject, as I may have to go to Washington City this evening; that in the informal interviews that I had with the governor, I did say to him as a matter of policy, I did not think the bonds ought to be indorsed, and I hope that my testimony will express that.

Mr. Hall. I think your answer was about this, that you had not invesigated the matter fully, but you were rather inclined to think the company was not entitled to the indorsement. A. The direct question wa asked me, and that is my answer to it.

Witness withdraws.

Senator Hill. I desire to state to the committee again, that as this was a friendly suit, gotten up at the suggestion of the governor himself, and I thought a wise suggestion, and of course for the benefit of the applicants for the indorsement only, and to enlighten the conscience of the governor, I was very anxious that the governor should be thoroughly satisfied that the case was fairly presented to the judge, especially as I had thought a sort of understanding with him, that he would be satisfied with the decision of the judge of the superior court; at least, he intimated that he might be. So I went of my own accord to the governor and advised him to send the attorney-general; and then to make it sure I went of my own accord to the attorney-general to ask him to go, explaining to both the governor and the attorney-general that I desired the governor to be thoroughly satisfied that all the points against the indorsement were fairly and fully presented to the judge. I could have no other purpose in going to either.

Well, it was at my instance, as I understood that the governor directed the attorney-general to go for that express purpose. Major Ely, of course, as the state was not a party, and no judgment could be pronounced against the state, could not take control of the case. And he was there, invited for that purpose. I told Major Ely, when he was talking about preparation, that time was very important and that he would find that Major Barrow would present the case fully and ably, and that if he would go and hear the argument of the attorneys in the case that he would be satisfied that the points were presented fully and to his satisfaction. In the event, however, it turned out that they were not, we would then admit him into the argument and let him argue the case as much as he pleased. That was precisely the whole object and scope of my approach to Governor Colquitt and Major Ely about going.

When we met, the first day appointed by the judge for hearing the argument, the attorneys on both sides were ready. We had come up from Athens, too; and it was expensive, so many of us, and we were anxious to hear the case. Major Ely alone wanted a postponement. I thought that Major Ely's demand for delay was unreasonable, and to avoid the delay, at least to avoid the necessity of these lawyers all coming back, before Judge Rice, I said to them and to Major Ely (I have no doubt the lawyers will all testify to what I told you), that I thought the best plan was for the argument to go on; Major Barrow and myself, and Ervin should make our arguments, and Major Ely should sit by and hear them. If, when the arguments were concluded, he was satisfied that the case was fully and fairly presented, his duties would be only nominal, and he need not argue at all, unless he chose to. If not satisfied that the argument was fairly presented, we would consent to a postponement and give him an opportunity to argue ad libitum. Major Ely would not consent to that; he wanted the case postponed until he was ready. To gratify him we did consent, rather than offend Major Ely, or run counter to his wishes. I wish to say to the committee emphatically, that I never said one word to Major Ely about not arguing the case, except in the event he was not satisfied with the argument on the other side, and for the purpose of preventing what I thought was unreasonable and unnecessary delay. Major Ely proposed to postpone the case up there, and when it got before the supreme court, moved to dismiss the bill of exceptions, which would simply have been remanding us to another hearing and another injunction. And I thought these technical points made by Major Ely, which could work only delay, were not reasonable.

While I would not say anything to disparage Major Ely, it is due to the truth for me to state that the idea, that it was at all important to suppress his legal abilities to their utmost extent, never occurred to me. The thought never entered my mind until I read the testimony of Major Ely in this case. I was anxious to avoid delay, because of my clients and of the expense we were incurring, and I thought Major Ely ought not to delay the case unnecessarily; but never, never, under any circumstances, did it enter my head to say or do anything to prevent him from exerting his talents to the utmost that he desired. And such was my confidence in the case, that I never thought that he could damage it. It was to avoid delay only; and if it is a matter of any importance to the committee, I have no doubt you can have it fully confirmed by the other lawyers present in the case.

In relation to that point about the decision of the judge, you will find, if you will get the record, that the whole question really turned upon the legality of that resolution; because, whether we had a vested right, before the repealing act or not, if the resolution which declared that the repealing act should not apply to the Northeastern railroad company, was good law, of course he would have been entitled to the indorsement, under the original state aid act. Therefore we put the question upon the resolution, declaring that the repealing act did not apply to the Northeastern railroad company. Judge Rice held, if you will examine the record, while he held some other subordinate points, held that the resolution of the legislature was not good law, because it was not read three times in each branch of the general assembly on different days. I am not sure this reason is recited in the bill of exceptions, but I know it was the reason given by Judge Rice.

Mr Hall. That is, it could not repeal an act of the legislature, which was read three times.

Senator Hill. He did not decide that question. I think I put it in the bill of exceptions. But Judge Rice stated distinctly that he held that the resolution was not good law, because not read three times, on three different days, in each branch of the legislature.

Mr. Hall. Didn't your answer to the bill make that question, that the resolution might have the force of an act of the legislature?

Senator Hill. Oh, yes; I held, of course, that the resolution was legal—had the force of law.

Mr. Hall. You set that out in your answer?

Senator Hill. Oh, yes; that is all set out. But our whole case rested on the validity of that resolution; except, of course, that we insisted we had a vested right. I state, as Major Ely does, that these questions, of what the judge decided, are not proper as questions of memory. No doubt the records will show. I think you will find in the bill of exceptions that he puts his decision on the ground that the resolution was not read three times. I know that was the reason he gave in his decision.

Mr. Hall. You said awhile ago that this suit was brought at the instance of the governor.

Senator Hill. At the suggestion of the governor.

Mr Hall. You meant by that that he called your attention to the latter clause in the act of 1874? [Acts of 1874, p. 98]. A. Yes, sir; the governor called my attention to that clause of the act, which, by the way, I did not remember seeing before, and asked me if I did not think that it was better for the courts to pass upon it, and the parties to make the case. I told him at once I thought he was right, and that the desire was a very proper one, to shift the responsibility upon the court.

Mr. Hall. You do not mean to say that he suggested for you to go and get Morris to file the bill? A. No, no; the governor had nothing to do with who should be employed and who should be paid. As there has some fuss been made about this matter of lawyers being paid on both sides by the same party, it is hardly necessary to say that when these friendly suits are got up for the benefit of one party, it is proper for that party to pay both sides. I have been, I suppose, in a hundred of them; certainly, very many. The whole object of the suit was to test the right of the N. E. R. R. to the indorsement; and the rolling mill was making the question for its own benefit, because it was entitled to these bonds under a contract with the railroad. Of course it was altogether proper that the rolling mill should foot the bill of expense, and not put the expense on Morris, who was a mere accommodation party.

Mr. Cox. In the argument of this case, was there any reference made to the point in Attorney-General Hammond's opinion, the defect in the title of the bill? A. Judge Rice's reason was one single one: that he thought the resolution was not good because not read three times in each house. I think the point you mention was not made by any one.

GOV. A. H. COLQUITT, Sworn, Says:

My statement I have not seen since it was made a few days ago. It related to the merits of this case, and not to any interviews or conversations that I recollect, merely to the policy in view in the indorsement and the line of policy I had adopted, which occasioned some delay about which some question was made. As Mr. Hill is present, I will just state what my recollection is of the interviews between him and myself. I will state I have not seen his statement since it was rendered verbally before the committee. So I do not know that I may cover all the grounds unless my attention is called to points I overlooked.

I think it was a week or two before Mr. Hill left for Washington City, that he called and had his first interview with me upon this subject, in which we discussed the matters and principles involved in the indorsement of these bonds of the railroad. One interview was in the secretary's office, when there were several persons present, and he made an argument in our presence, and I think he was helped out probably by Judge Wright and Judge Jackson, who were then present and gave their sanction and authority in a few words with a view to giving force to his argument upon the subject of the legal right of the road to have this indorsement. I think we had one other interview upon the question, in which he made some argument, but I am not certain as to that.

The last conversation we had before he left, I think, was on the day he left. At any rate, he said he was going to leave in a few hours.

I had probably in previous enterviews referred to this act of the legislature, the second section of the repealing act, which indicated that the rights of roads applying for indorsement might be determined before the judicial tribunals of the country. And after reading it, and calling his attention to it, he read it and considered a moment; and I told him, that inasmuch as this matter was left undecided, to say the least of it, during the preceding administration, that I did not care to assume the responsibility of its decision, if I could avoid it, and that it might be decided by a judicial tribunal, which was contemplated in this repealing act. After a moment's consideration, he concurred in the suggestion, and thought it might be determined in that way; and our interview closed with just a general statement of that kind upon his part—I thinking that he was satisfied with the fact, and that he would pursue that course.

In the last interview after that, just before he left for Washington city, and the one in which he referred in his testimony, we had some conversation upon the subject. I asked him several questions; among others, I asked him to divest himself, if he could, of his interest as a lawyer in this matter, and to give me his real convictions as to the right of this road to the indorsement of these bonds. He did so most emphatically, assuring me that it was right, legally and morally, that they should have it; and that, if any question should be made upon me in relation to it, that he would give me the benefit of his services, or that he would stump the state rather than anybody should say a word against me as to the propriety of my conduct in the matter.

He then said: "If you make up your mind to sign the bonds, I would be glad if you would inform me." "Very well," said I; "I will do so." I then said: "Well, if I write you a letter, asking your opinion upon the legal questions that are involved in this matter, will you feel at liberty and will you take the time to answer my questions?" He said that he would do so cheerfully. And we parted; he left, I suppose, for Washington city, or intended to leave; I know he made preparations to do so on that day.

I want to introduce into this record all of the facts and all of the arguments, written and oral, so far as I can do so, to justify the indorsement of the bonds, and here they would properly come in. But omitting that for the present, I hope the committee will give me the opportunity for doing so hereafter.

The bonds were begun to be signed about the 20th or 21st of January, I believe. I am not sure of this, that I know about the day of the month. I did not write to Mr. Hill. He had heard, I supposed, that the bonds were signed, and I received from him a communication. I had not placed any very great importance upon the fact of promising to do so, and in the interviews which subsequently followed, I gave him the reasons for it. But he was absent when the bonds were signed, and had heard of the signing of the bonds. I had not put a great deal of importance upon it, and thought no great deal about it. But I thought that I discovered in a letter, a very brief letter, that he was a litle hurt, because I had not given him the notice, as he thought, I had promised, and as I did in the manner in which I stated. This was the letter:

[Personal.]

United States Senate Chamber,
Washington, January 26, 1878.

His Excellency, Governor Colquitt—Dear Sir: After what passed between us in our last interview, I can but express my profound surprise that you indorsed the N. E. R. R. bonds without giving me notice. This turns me over to a law-suit for my fees.

Yours very truly,
Benj. H. Hill.

This letter was answered by the letter which Mr. Hill put in evidence, and in which I endeavored to justify myself for the omission and to satisfy him that it was from no desire to damage him at all. On the contrary, I would have been very glad to serve him.

The interviews in Washington that we had were unimportant, were not significant at all. I do not remember them, except that they were casual.

During the summer, just after my return from a visit to northwestern New York to Chautauqua lake, I had just returned and Mr. Hill called in to see me; and after the usual salutations and congratula ions upon the trip which I had made, and the eclat which attended it, the conversation was turned, he rallying me rather, that I had given him trouble because I did not comply with my promise in the mattter about informing him of my intention of signing those bonds. I replied to him that I hoped my letter was satisfactory; that if I had known at the time when he requested me to inform him about it, that his interests were involved in the matter, that I should have felt impelled to do so. But I thought it was a matter of mere suspence and anxiety in the matter on his part and he wanted to be relieved of that, and wanted to be informed as soon as possible that I had made up my mind; that I did not suppose that his fee was dependent upon my giving him information of my intention, but upon the fact of signing the bonds; that if it was a conditional fee at all, it was conditional upon the signing of the bonds and not conditional upon my informing him of my intention to sign them; but if he had said to me in our last interview that it was dependent upon that, it would have made much more impression upon my mind, and that I should have felt it was due to him to notify him, but I did not so see it, and had no idea at all that there was so much involved in it as he then supposed and represented to me. I gave him that as a reason in addition to the reasons given in my letter.

I did not write him a letter questioning him upon the legality of the indorsement of the bonds. I do not know that I stated to him the reason at the time—I may have done so. I do not remember about that, but my reason was this: the arguments in favor of the indorsement he had given to me orally. They were not out of my mind. The object I had in view, in getting his written declaration, was to have on record the opinions of Mr Hill, together with the opinions of other eminent men in the state in favor of the indorsement, in case if I was assailed because I had given the indorsement, that I would be supported and fortified by as eminent and able men as there are in the state of Georgia. But upon second thought, I considered that would not be of any great weight, because it would at once raise the point, "Here is the known counsel and attorney." And while I had the advantage of his argument, the advantage of his name would be entirely lost, when it became known by the country that he was the counsel and attorney for the road, and it was worth nothing to me, therefore, as a matter of weight in forming public judgment. The public would very naturally say, "Why, of course, Mr. Hill is attorney in the matter, and we don't expect him to give you any other opinion." Hence, I did not write to him. I have no doubt he would have given his opinion sincerely. I had the opinions of one or two, and I was expecting to get up the opinions of other gentlemen upon the subject.

To return to the conversation, in which I expressed the hope that my letter had been satisfactory, and we recurred to the fact that I did not inform him, just as I have stated. He then said to me that he felt it his duty to confer with me freely and frankly with regard to what he had heard upon this subject. The interview was private; the door had been closed. The date was about the middle of August, between the middle and the 25th of August. I am not certain of the precise date; it was probably the latter part of August. If I were going to fix a date, I should say it was about the 15th. I am not accurate, and do not pretend to be in that matter as to the day.

He then related to me the interview and the conversations that he had with Mr. Morrill in the presence of Mr. Goodnow, in which Mr. Morrill had told him that Mr. Murphy had represented to him that this was the only way to get the bonds, or that the bonds could hardly be obtained without he was employed, and that in that conversation he stated that there was an old man high in office, very poor, and didn't want office any longer and wanted money, and that the day that the bonds were signed a similar expression was made use of, when Mr. Murphy went to call for his fee, and Mr. Morrill seemed to feel that he was in very great haste about it, that Mr. Murphy then declared that the old man was going away that night and wanted his money. Mr Hill related this conversation as having been given to him by Mr Morrill, and said that he had inquired about it since his return that he had had an interview with Mr Hoyt, and that he understood the whole facts as presented to him; if it was so presented to the public, that it would do me very great injury; that it would be a pity that my character should be involved in any matter of that sort, high in the state and high abroad, and that it would be a very great pity if anything should occur that would put a cloud upon it. Then said he: "It ought to be settled; this matter ought to be settled before it goes any further. There are not a great many people that know it at present, but if it remains, and it should become a matter of controversy, of course it will be discussed, and those who would desire to injure you would make use of these facts and coincidences with a view to damage you. I think that you ought to make Murphy pay this money back and settle the matter."

I told him that I had no control over the money; that I did not know that I could induce Mr Murphy to do so; and my idea was, I was very sensitive about my character's being involved; that I had no objections, so far as my official conduct was concerned, for every act to undergo the most regid scrutiny of anybody; that I had nothing to fear; that my own conscience was free from having done anything that was wrong or illegitimate; and that I did not have any apprehensions at all as to being involved or damaged. He said: "Of course, I do not desire you to feel that I have any impressions or suspicions of that character; I do not, and would not have you hurt in the matter for the Scofield rolling mill."

Well, the conversation was, I suppose, an hour long, probably—the interview; but that was the sum and substance of it, as I remember it now.

After he left, I sent immediately for Mr. Murphy. I told him what Mr. Hill had told me, as to Mr. Morrill's declarations, and repeated them as far as I could, verbatim, and told him if such had been his assertions, that it was an outrage upon me. Mr Murphy said there was not a word of truth in it; and rising up from his seat, he said: "I hope a thunder-bolt from heaven may strike me into perdition, this moment, if ever I made any such declaration as that, or anything like it. And, governor, with a view to satisfy you, I will bring Mr Morrill." I told him I hoped he would do so; that I would be glad to see him; that it was a matter in which I felt it due to me that he should be relieved of any such suspicions of making any such declarations.

It was not that day that I saw Mr Morrill, but he sent me word, I think—at any rate I got the information—that Mr Morrill was absent, and that as soon as he returned, he would bring him into my presence. Two or three days afterwards he did. He brought Mr Morrill up to my office. After being seated, Mr Murphy says: "Now, Mr Morrill, I want you to state to Governor Colquitt whether, in any interview that I had with you, I made any remark that led you to believe that I referred to him as being interested in any way in this fee, or in any contract I had made." He said that Mr Murphy had never referred to me directly or indirectly, by insinuation or otherwise, and used two or three emphatic oaths—or half got them out, with a view to add emphasis to it—saying it was a hell of a lie, or a damn, or something of that sort. At any rate, his oaths were cut short, I suppose recalling himself and apologizing to me, thinking it was hardly courteous that he should use oaths in my presence. I then asked him some questions relating to this matter, as to the conversations, which he denied as emphatically as he had done before.

I was satisfied from his own declarations, and from Mr. Murphy's declarations, that there was a misapprehension as to the statements that were made. I gave myself no further concern or trouble about it. I supposed that Mr. Hill would return and see me after I had made this investigation.

Mr. Hall. Before you leave that interview with Morrill, did you state to him what Mr Hill had told you - that he had said to Mr Hill, about the interview between himself and Mr Goodnow? A. Yes; I did state each point. I may not have gone over it all, but I just stated to Mr Morrill, did he refer to an old man being high in office? I remember that, the expression; just with a view to call his mind to it. I did not go over all the terms of it, as I remember I referred to an old man, being high in office, and wanting to go out of office. I did not go into the words specifically. And so I did with regard to other points.

Q. To other points, that Murphy said he could not get the indorsement until he was employed? A. Yes; he said he did not say so; that Murphy's declaration was this: that he felt satisfied that he could bring forward evidence that would insure the signing of the bonds.

Q. When he went to collect his money, did you ask Mr Morrill if Murphy said to him that the old man had to go off? A. Yes; yes.

Q. What did he say to that? A. He said no; there was no old man referred to at all; never was such an expression; never thought about; denied it fully and emphatically. I referred to the "old man," because it was a sort of thing likely to hang in a man's memory, and did not seem to be altogether very appropriate. And I asked him about that expression in connection with what declarations he had made.

Well, Mr Hill came to see me within a week or two, (I do not remember the time,) to see whether I had done anything in the matter. I told him that I had; that I had seen Mr Murphy, and that he denied ever having made any such a statement as that to Mr Morrill; and that Mr Morrill denied that Murphy had ever made such a statement to him, and that I did not see what further I could do in the matter as it stood. He then said: "Well, there will be more made out of this than you suppose." He alluded to the fact that Governor Smith, my enemy, and others who were known to be at enmity with me, might use it with a view to damage me before the country—take advantage of these circumstances to present them in an unfavorable light. I told him that I had heard that Governor Smith knew of it. I had heard that Mr. Harralson, of Washington city, knew of this matter, too. He continued to impress upon me the importance of having this matter settled. My view of it was, in connection with what had transpired before, that it was to induce Murphy to pay back this fee, and that I had no interest in it. I stated to Mr Hill that I thought really that any undue sensitive-

CONTINUED ON SEVENTH PAGE.

THE EVIDENCE.

TAKEN IN THE INVESTIGATION.

Called For by the Special Message of Governor Colquitt.

SATURDAY, November 9, 1878.

The joint committee of the senate and house of representatives under the following resolution, to-wit:

"Resolved, That in response to the special communication of his excellency, Governor Alfred H Colquitt, on the subject of the indorsement of the bonds of the Northeastern railroad, a committee of five from the senate and eight from the house be appointed to investigate the whole matter and report their action to this body, and that the house be notified of the action of the senate in the premises, and that said committee be authorized to compel the presence of persons and papers conversant with or relative to said indorsement;"

And—

"Resolved by the senate and house of representatives, That the joint committee to whom was referred the special message of his excellency asking an investigation of his indorsement of the bonds of the Northeastern railroad be instructed to report not only the conclusions, but also the evidence upon which the conclusions are based," met this, Saturday, 9th of November, at three o'clock p. m.

Present on the part of the senate: Hon Joseph W Preston, chairman; Hon John F Troutman, Hon H R Casey, Hon Samuel Hawkins, Hon Isaac P Tison.

On the part of the house: Hon A H Cox, Hon Wm H Hammond, Hon R C Humber, Hon H G Wright, Hon John I Hall, Hon W J Northern, Hon Allan Fort, Hon Arthur H Gray.

The special message from the governor was read, as follows:

"Executive Department, Atlanta Ga., November 6, 1878—To the General Assembly: A grevious necessity has been imposed upon me to demand at your hands a thorough investigation of my motives and conduct, as the executive of Georgia, in placing the state's endorsement upon the bonds of the Northeastern railroad. This necessity has been created by widely circulated slanders and innuendoes, vile and malignant, and so mendacious and wicked as to make all comment and pharaphrase upon them utterly futile. Nothing but a thorough sifting of my every motive and act in regard to these bonds, so far as human insight and judgment can reach these, can satisty an aggrieved honor, or give such entire assurance to the people of Georgia, as they have a right to demand in the premises. To a man who values his good name far more than life, it would be an act of supremest injustice to deny the most plenary vindication, rendered in the most august and authoritative form known to the laws, or to public opinion.

"To the people of this great commonwealth it is of the last consequence that they should know, beyond all peradventure, that the man who fills, at their call, the chief seat of authority, is above reproach or suspicion.

"My denunciations of an awful and stupendous slander, forged and uttered to dishonor me, will not be enough. The general assembly of the state—a co-ordinate power—is appealed to for that justice which, while it will, I know full well, exonerate me as a man, will also vindicate the fair fame of Georgia, assailed by cruel slanders on her chief executive.

"ALFRED H. COLQUITT."

Hon H G Wright requested to act as secretary pro tem.

The following resolution offered by ——:

"Resolved, That this joint committee do select a stenographic reporter to take down the evidence submitted to this committee in its investigation and a sergeant-at-arms."

Resolution adopted, and W. E. H. Searcy, of Spalding, selected as stenographic reporter, and S. C. Williams, of Fulton county, as sergeant-at-arms.

The following resolution offered by Hon. Arthur H. Gray was adopted:

"Resolved, That a committee of three be appointed to wait upon his Excellency, Governor Alfred H. Colquitt, and notify him that the joint committee of the senate and house of representatives appointed to investigate the matters referred to in his special message of November 6th, 1878, is now organized and prepared to receive such communications and to hear such evidence as he may desire to submit to said committee relative to the investigation demanded in said message."

Upon this committee were appointed Hon. Arthur H. Gray, Hon. John I. Hall, Hon. H. R. Casey.

On motion, committee adjourned to 3 o'clock p. m. Monday, 11th November, 1878.

SENATE CHAMBER, Monday, Nov. 11, 1878.

The committee met this afternoon at 3 o'clock, pursuant to adjournment, in the senate chamber, chairman presiding; quorum present.

In response to the invitation of the committee, his Excellency, Governor A H Colquitt, appeared and tendered the following communication, to-wit:

"STATEMENT OF GOVERNOR A H COLQUITT."

"It is proper, in appearing before this committee, that I should acquaint them with the inducements I had, moving me to ask at the hands of the legislature that this committee should be appointed and charged with the investigation of my motives and conduct in placing my signature to the Northeastern railroad bonds.

"I need not repeat here what I have exhaustively explained in my message, of my hesitancy and caution in signing those bonds. Few acts of my life ever cost me more serious and anxious deliberation, but at last, no act of my life ever met a fuller or more satisfactory approval from my conscience.

"Some months, perhaps it was after the bonds had been indorsed, I heard faint and uncertain murmurings about the purity of my conduct and motives in connection with this official act; but nothing approaching a definite charge making either myself or an accuser responsible. Not until the last few weeks has anything approaching a grave and circumstantial charge in regard to this matter come to my ears. In this time, I have been told by divers witnesses that the Hon B H Hill had insinuated, and then made charges against my integrity, so far as my motives went in making the indorsement.

"In a private letter, made public, which appeared recently in the Augusta News, the attack on me, I thought, assumed almost a definite and positive character, and left but little doubt on my mind that I was assailed. But in the last week, I have time and again been informed that Mr Hill had issued a circular, which was sent to divers papers in the state, and circulated from hand to hand. It is true that I was also informed that this paper, which I was told, (never having seen it myself,) contained charges and insinuations and implications of a most damaging character, if true and uncontradicted, was ordered to be suppressed and withdrawn from the public gaze. There was, however, a most bitter attack, founded on this circular, made on me by a North Georgia paper.

I could not ignore the reports alluded to. The elevated position of my accuser, and the gravity of the charges, as I understood them, brought matters to such a crisis that private and official honor, the honor and dignity of Georgia, forced me to put myself upon the country. For these reasons I have asked an investigation.

From Mr Hill, personally and directly, I have never had any allegation made against me of impure or incorrect motives. It may be proper for me to say that since my special message, Mr Hill, in person, disavowed to me any purpose or attempt to reflect upon the purity of my official conduct."

The following was received from Hon B H Hill, and read by the secretary:

"ATLANTA, GA., November 11, 1878.

"Hon. Joseph W. Preston, Chairman, etc.—Sir: Your letter of this date is before me. You inform me 'that the joint committee, appointed by the general assembly, under the special message of his excellency, Governor A H Colquitt, has organized, and will meet at 3 o'clock p.m. this day in the private room in the capitol of the president of the senate,' you then add that if I 'have any charges to prefer regarding the motives and conduct of the governor, in signing the bonds of the Northeastern railroad company, the committee will be ready to receive them at said time and place.'

"In reply to this you must allow me to say, with some emphasis, that I have never made, nor intimated, nor intended to make or intimate, nor will I now make or intimate any charge of any kind against Governor Colquitt.

"Certain facts of a grave public character became known to me by virtue of my relation as counsel for the Atlanta rolling-mill company. This company was much interested in the indorsement of the bonds of the Northeastern railroad company, and was the real instigating party to the litigation in the courts touching the legal right of the railroad company to that indorsement, and it was for the purpose of that litigation before the courts that I became of counsel for the rolling-mill company. [illegible] facts alluded to were communicated to [illegible] the president and manager of the rolling-mill company, and related to the conduct, motives, and representations of [illegible] W. Murphy in procuring that indorsement, after, as alleged, all other agencies [illegible]. Mr Murphy was at the time, and I believe yet, is an official of the executive department under the treasurer.

"In view of my personal and political kindly relations to the governor, and my obligation to the people of Georgia, and after taking the confidential counsel of one of the ablest and best men in the state, I deemed it my imperative duty to communicate the facts to the governor precisely as they had been communicated to me.

"I did so, assuming in doing so that the governor was not only innocent of any participation in the wrong, but was even ignorant of its existence, and that he ought to have the information to enable him to protect himself and his office from possible suspicion, and the public from possible repetition of the wrong.

"This is the only connection I have had with this matter, and I have had, and now have, no more interest in it than any other citizen of Georgia.

"I must beg pardon of the committee for using this occasion to say that the attempt which has been made in several quarters to make me a party to any issue with Governor Colquitt by perverting this plain, simple and straightforward act of personal friendship and public duty on my part into a motive, purpose, or desire to injure the governor, cannot be the work of any wise or true friend of the state, of the governor, or of myself. Its inspiration being unfriendly to the real truth, must be friendly to the real wrong of the matter.

"There is nothing in the situation, and nothing in my inclinations which can require or induce me to become a prosecutor in this case. I, therefore, respectfully decline to make any charge against his excellency, Governor Colquitt.

"With considerations of high regard, I am, yours, very truly, BENJ. H. HILL."

Mr. Wright offered the following:

"Resolved, That the governor be requested to inform this committee, specifically and in detail, of the nature of the charges made against him in connection with the Northeastern railroad bond indorsement, and which induced the sending of his special message to the general assembly."

Mr. Hammond moved to amend, by the addition of the following words, to-wit:

"Together with the name or names of the individual or individuals by whom any charge reflecting injuriously on the official acts and personal motives of his excellency in connection with the indorsement, by him, of the bonds of the railroad company aforesaid, have been instigated or made, and that his excellency do furnish this committee, at his earliest convenience, and as far as may be in his power, with the circumstances out of which the injurious and slanderous charges complained of in his special message to the legislature, originated, with the names of the witnesses, by whom the charges referred to in his written statement this day submitted to this committee were first reported to him, and with copies of the printed and written articles referred to in said statement, if in his possession or control."

Mr. Wright accepted the amendment, and the resolution, as amended, was adopted by a vote of 9 yeas to 3 nays.

On motion of Mr. Hall it was

"Resolved, That written subpœnas be prepared by the secretary of this committee and served by the sergeant-at-arms upon the following persons, to-wit: Hon. B. H. Hill, R. N. Ely, James M. Smith, James M. Mathews, N. J. Hammond, W. C. Morrill, Esq., Wm. Goodnow, Esq., John W. Murphy, Esq.

The following form of subpœna was agreed upon by the committee:

"AT THE CAPITOL OF GEORGIA,
LEGISLATIVE DEPARTMENT,
November 11, 1878.

"To ————, Esq., ————: You are hereby commanded that, laying all other business aside, you be and appear at Atlanta, Georgia at ———— at — o'clock, then and there to testify before the joint committee of the senate and house of representatives, appointed to investigate into the conduct and motives of his Excellency, Alfred H. Colquitt, governor of Georgia, in reference to his indorsement of the bonds of the Northeastern railroad company, said committee being empowered by law to send for persons and papers.

"By order of the committee.

"Witness the hand and seal of the chairman of said committee this ———— day of ————, 1878."

On motion of Mr. Fort the committee adjourned until Tuesday, the 12th of November, 1878, at 3 o'clock p. m.

HOWELL C. JACKSON,
Secretary pro tem.

TUESDAY, November 12, 1878, 3 o'clock p. m.

The joint committee of the senate and house, appointed to investigate the conduct and motives of his excellency Alfred H. Coquitt in reference to his indorsement of the bonds of the Northeastern railroad, met this day at 3 o'clock p. m., pursuant to adjournment, Hon. Joseph W. Preston, chairmain, presiding. Quorum present.

Minutes of the previous meeting read and approved.

On motion of Mr. Cox, the committee adopted the following line of proceedings in their investigation:

First. To inquire into the legality of the signing of the indorsement of the bonds of the Northeastern railroad.

Second. To inquire into the motives of his excellency in signing said indorsement.

On motion of Mr. Hall the following was adopted:

Resolved, That his excellency be, and he is hereby requested to furnish this committee copies of all papers and records in his office relative to the application for, and indorsement of, the bonds of the Northeastern railroad company."

His Excellency Alfred H. Colquitt appeared before the committee in response to a resolution of yesterday, which was read by the clerk as follows:

"Resolved, That the governor be requested to inform this committee, specifically and in detail, of the nature of the charges made against him in connection with the Northeastern railroad bonds indorsement, and which induced the sending of his special message to the general assembly, together with the name or names of the individual or individuals by whom any charge reflecting injuriously on the official acts and personal motives of his excellency in connection with the indorsement by him of the bonds of the railroad company aforesaid, have been instigated or made, and that his excellency do furnish this committee at his earliest convenience, and as far as may be in his power, with the circumstances out of which the injurious and slanderous charges complained of in his special message to the legislature originated, with the names of the witnesses by whom the charges referred to in his written statement this day submitted to this committee were first reported to him, and with copies of the printed and written articles referred to in said statement, if in his power or control."

Governor Colquitt. I will take up this resolution as far as I can in detail. I received a copy of it about thirty minutes ago.

That the governor be requested to inform this committee, specifically and in detail, of the nature of the charges made against him in connection with the Northeastern railroad bonds indorsement, and which induced the sending of his special message to the general assembly."

The nature of the charges is that I participated in a fee which was received by Mr John W Murphy, who, it is said, was employed to procure the indorsement of the bonds. That is the nature of the charge. I don't know that I can specify more in detail than that. And I will state to the committee that it would be almost impossible for me to give the names of the various parties from whom I received these reports, because I received them from many parties. The reports made to me, I have no doubt, were made to members of this committee.

That these injurious statements and implications resulted from conversations of Mr. Hill have come to me from so many sources it is hardly possible to specify them all. I received information of this fact from persons here during the fair, and from persons at the fair in Macon, inquiring of this matter, fearing that my own reputation might suffer by reason of the talk in relation to it. But I may be wandering off. I make these remarks in general, as identifying some of the sources from which my information was derived. I might state a few persons who have talked to me on this subject, but if I were to name any, it would be only a few out of a great number. I was in Augusta at the unveiling of the monument, and it was the chief topic of comment. It is almost impossible to specify the individuals whom I heard talking of it, and who told me it was my duty to do something in the premises. All felt that it was damaging to my own honor and integrity, and to the honor and integrity of the state. The nature of the charge coupled me with the fee which John W. Murphy received, and that it was the motive which controlled me in my indorsement of the bonds. I could state more definitely in answer to questions.

Committee desire that his excellency first make his direct statement, together with the name or names of the individual or individuals by whom any charge reflecting injuriously on the official acts and personal motives of his excellency in connection with the indorsement by him of the railroad company aforesaid, have been instigated or made.

"I referred yesterday to these remarks, and to the reason why I supposed that they originated from Mr. Hill. The letters that I referred to, and the conversations which he held here and there—I don't know how many; it left the impression, from the circumstances and connection he would give them, that there was something dark. I felt justified to Mr. Hill, and so stated yesterday, that these insinuations and charges grew out of his conversations, and left the impression that there was something in this transaction—something dark and ugly. I endeavored yesterday, in the statement which I made, to direct the attention of the committee to this, as I wanted to be understood:

"And that his excellency do furnish this committee, at his earliest convenience, and so far as may be in his power, with the circumstances out of which the injurious and slanderous charges complained of in his special message to the legislature originated— "I suppose the circumstances were my signing the bonds. The charge is of such a character that it would be difficult for me to say what may have been implied. The circumstances were such as Mr. Hill—

Committee suggests that his excellency's reply to the first part of the resolution replies to the latter part, and that he furnish the committee with copies of such printed statements as he can.

Q. What are the articles referred to?

The articles referred to was an article in the Augusta Evening News and another article published in a north Georgia paper, which I have been able to find—the Rome Tribune. Those two papers, together with a circular which has been issued, I suppose beyond any question by Mr. Hill. I will refer to another article in the same paper, which makes charges stronger than the other article, based upon this circular.

(Reads from the Rome Tribune of November 1st, 1878.)

"We have received a card from Senator Hill, addressed to the public, concerning the bonds of the Northeastern railroad. A subsequent telegram from Mr. Hill requests us to withhold the card until further notice from him. Mr. Hill evidently wishes not to do any one injustice by a prejudgment of the case, but to await the action of the legislature, which will be bound to take cognizance of the matter."

In a note to the Augusta Evening News Mr. Hill says:

"These facts were so startling that I deemed it my duty to lay them before the governor. I was not willing to believe that he was guilty; I did lay them before him fully. I also begged him to send at once for my clients and Mr. Murphy, and let us meet face to face in his presence, and thus bring out the true facts. He declined to do so; I did most earnestly remonstrate; I told him he could not treat this matter indifferently, but must act vigorously and promptly, and have Murphy discharged from the executive building, and if necessary order him indicted, and himself go before the grand jury and court and testify under oath that any representations made by Murphy, that the indorsement was dependent upon the payment of money to Murphy or anybody else, were utterly false. He declined all my advice, and I heard no more of it until Murphy attacked me in the streets on Tuesday, the 22d instant."

Mr. Hill further adds:

"The statement in THE CONSTITUTION of this morning is a miserable perversion from the beginning to the end. What it calls Senator Hill's story is simply infamous, and was made without my knowledge or authority."

"The gingerly manner in which the gaping idiot of THE ATLANTA CONSTITUTION handles the subject confirms our worst fears about the 'old man's' complicity and disgrace. As the legislature will investigate the matter, we shall indulge in no gossipy conjectures. The positive facts are bad enough, God knows."

The Augusta Evening News gives a statement that does refer to this matter. I suppose it is necessary to furnish a copy of that.

[From the Augusta Evening News of Wednesday, October 30, 1878.]

"SENATOR HILL'S STORY."

A letter received at this office this morning from Senator B. H. Hill, in reference to the Northeastern railroad business, differs materially from the statement published in yesterday's CONSTITUTION. The rumor in Atlanta was that Senator Hill was referred by his client to the governor for his fee, and that he went in person and was told that he (the governor) knew nothing about it. Mr. Hill says this is not correct, but they did give him a detailed statement of the facts; did say most emphatically that they had paid Murphy $8,000, solely because of his assertions that they would never otherwise get the bonds indorsed; that the negotiations on this subject lasted several weeks (two or three months), and that in less than forty-eight hours after they agreed to pay Murphy the $8,000 the indorsement of the bonds began, and was fully completed in thirteen days.

Mr. Hill adds: "These facts were so startling that I deemed it my duty to lay them before the governor. I was not willing to believe that he was guilty. I did lay them before him fully. I also begged him to send at once for my clients and Murphy, and let us all meet face-to-face in his presence, and thus bring out the true facts. He declined to do so. I did most earnestly remonstrate. I told him he could not afford to treat this matter indifferently, but must act vigorously and promptly, and have Murphy discharged from the executive building, and, if necessary, order him indicted and himself go before the grand jury and court and testify under oath that any representations made by Murphy that the indorsement was dependent upon the payment of money to Murphy or anybody else were utterly false. He declined all my advice, and I heard no more of it until Murphy attacked me in the streets on Tuesday the 22d inst."

I heard of a great deal of these rumors from different quarters. I did not feel keenly alive to them until I saw a dispatch from this city to the Augusta Evening News under this head: "Georgia's governor under suspicion." That was followed by a dispatch to the effect that my character was being damaged abroad. I mention these things that the members of the committee may see that the rumors and charges are not whispered confidentially, but that they are abroad in the land. And if I had any sort of sensitiveness for my character, or regard for my children, or the memories of the dead, I could not sit quietly and know that these things were in circulation I deemed it my duty to call the attention of the legislature of Georgia to the fact. I state now, as I stated then, that I am open to the most critical examination of my conduct as governor, and I would say my private character, were it legitimate. I would be glad to answer any questions if I have not stated fully enough.

Q. Did you furnish the committee a copy of the circular by Mr. Hill? A. Let me say that I never saw the circular. I don't know that I can furnish an authoritative copy. I have my knowledge of the circular from comments that were made in the community here by those who read it. I was impressed more by the comment than by the perusal of it. The copy I have I suppose would not come in as an authoritative instrument. Those who have seen the original would probably say whether it is a copy of the one published. I have not seen the circular. I did not deem it proper to present a copy to the committee that I did not know to be a copy of the original.

Here the governor, by request of the committee, furnished the copy which was in his possession:

TO THE PUBLIC.

I deeply regret that the scandal touching the indorsement of the bonds of the Northeastern railroad has gotten into the papers prematurely. The conduct of one of the parties involved made this inevitable. In view of what is now known, it will be the imperative duty of the legislature to make a searching investigation of this whole matter, and as all the facts will thus be brought to light under oath, I respectfully suggest that speculative gossip in advance can serve no good end.

To avoid the effect of misrepresentation, I will state that I have no interest in this scandal which is not common to every citizen in Georgia. No fee of mine is at all involved. There is not now, and has not been, the slightest issue between me and my clients. The garnishment served upon Mr Murphy makes only the issue as to whether he is indebted to the rolling-mill—not whether he is indebted to me. Any creditor could make that issue, and doubtless others would have made it. Mr Hoyt was also garnisheed. He assures me, however, that he did not retain one dollar of the money, and I believe that statement is correct. The issue on both garnishments is purely a legal one, and if my clients were to settle my fee today, (as they would do if they had the money)

THE GREAT SCANDAL

would remain wholly unaffected. It is also untrue that I have been influenced in the slightest degree by a desire to injure the governor or any one else. I cannot now recall that I ever exchanged a dozen words with Mr. Murphy in my life before Tuesday, the 22d inst., and then very few more than a dozen. As to the governor, my earnest desire has been to save him from all possible taint in this matter, on the assumption that he was innocent; and there are many considerations of personal friendship, family relationships and public interests, why I should desire to shield him, and not one why I should desire to injure him. All the statements, therefore, which are being so industriously made to the effect that the case is one of a "contested fee," or that I have had any personal interest or motive other than as stated as a friend of the governor, and of the state of Georgia, can have no purpose but to lead the public mind from the real issues by stating false ones.

All the information I possess was derived from my connection with the rolling-mill as their counsel. I demanded to know the facts as my right, and they gave me the facts in bad faith to no one, but solely from a sense of duty to me. And it is my duty to protect them if there were wronged in my absence and without my knowledge.

I have investigated the facts with care, impartiality and some thoroughness. I will not here state them. I prefer they shall be brought out under oath. They are capable of easy proof whether I shall be living or dead.

But as I have said that the issues now circulated are false ones, it is proper that I should state briefly the real issues which

THE REAL FACTS

will compel the legislature to consider and decide.

1. The first question made will be whether it is legitimate and proper for subordinate officers and employees in the executive department to practice for fees or profits on the official duties of the governor.

The testimony will establish beyond doubt that this practice has obtained—at least in one instance—in the executive department of our present state administration. If rumors be true, the practice has become a system, but I know myself of but one instance. If the practice is right in this instance, it would be right as a system. If the system is to obtain it ought to be regulated to prevent abuse. In this very case, a mere clerk in the treasurer's office made the enormous sum of eight thousand dollars with a few days' labor, if, indeed, he performed any labor at all; and his first exaction was nearly double this sum! It was cruel and exorbitant, and must have been paid as exaction and not for service. In my opinion this practice ought to be made, if it is not so now.

A PENITENTIARY OFFENSE.

I cannot see how corruption could assume a more dangerous shape. Even as a regular licensed attorney, having no official connection with the executive office, I have never felt at liberty to take a fee for services in matters purely executive. In this very case. I told the governor I would not have charged a fee at all, but for the fact that, as originally presented, it involved an issue for the courts, and which was decided both in the superior and the supreme courts. Speaking for myself, and not meaning to reflect upon courts or lawyers who differ from me on this point, I have always understood that my license authorized me to practice for fees only in the judicial department of the government. But that one employed in the executive department should levy contributions one citizen's having rights to be passed on by the executive, which contributions are limited only by the greed of the exactor or the necessities of his victim, must be conceded by every honest mind to be a prodigious crime.

2. The second question for the legislature to consider and determine will be what action the governor ought to take when informed that a subordinate in his department has thus made gain of his official action?

The testimony will clearly establish that the governor received this information certainly after the crime was committed. In my opinion it was the imperative duty of the governor to manifest his displeasure in the most effective manner. He should have demanded of the treasurer the immediate dismissal of the offending clerk. If the treasurer had refused this demand, he would himself have become a party to the crime, and

SUBJECT TO IMPEACHMENT.

I thought, too, the governor should have ordered the complete reparation of the wrong to the victimized citizen, and, in default thereof, the indictment of the offender. Governor Colquitt differed from me in these views of his duty, and declined to take any action in the matter, or to make an investigation.

3. The third question for the legislature will be, whether, if this practice be legitimate in a subordinate, it would be wrong in the chief to engage also in the practice, or share the gains of his subordinate? On this point the case is one of circumstantial evidence. I do not express, and have not expressed, any opinion as to its effects. I wish it distinctly understood I am not now even intimating any opinion. I am only saying that this question is necessarily involved in the facts, and I am only following the cold, logical lead of the great principle I am discussing. If it is right for a subordinate to make such gains, how, in principle, is it wrong for the chief to enjoy the same privilege? You say his power would be greater. I answer this would be only grading the privilege. But would his power be greater? If the right to engage in such practice is granted to the subordinate and denied to the chief, the latter has only to form a secret partnership with the former, and the power to wrong and rob the citizen would be exactly the same. If the governor can delay his official action until

THE EXHAUSTED CITIZEN

has paid a subordinate to ask its performance, why not allow the same delay until the governor himself is paid to perform it? If, therefore, it is decided that the first proposition being proven amounts to no crime, it cannot be said there is any crime in the second or third proposition. For if it be right for a subordinrte to make money in the way suggested, it cannot be wrong for the governor to know he makes it, and it cannot be wrong for any one to share in that which is rightly made.

In this painful matter I have done nothing but my duty. I will neither prosecute nor persecute any one. But in this corrupt age professions are worth nothing, and I will not indulge in them. Let the testimony be fully and fairly taken, and let every man stand or fall by it.

It is proper to add that the evidence discloses nothing intentionally wrong in either the Northeastern railroad company or the Atlanta rolling mill company, but much hardship to both. They had already sustained very great losses, and were threatened with absolute ruin by the delay in receiving their clear, legal rights and the latter paid money to secure these rights only when convinced they could not be otherwise secured. The validity of the indorsement on the bonds is, therefore, not affected.

BENJ. H. HILL.

Atlanta, October 29, 1878.

PUMPING THE COMMITTEE.

The committee finished the examination of governor. We inquired of several members if fact was drawn out that would in the slightest degree sustain the insinuations made against him. We were informed that there was not, but that Governor Colquitt showed by his manner that he was innocent of any knowledge of this fee charged for signing the bonds, and that from his testimony there was no ground whatever for the insinuations. The letter we give above was written by Mr. Hill on October 29th, and addressed to the public. For some reason it has never been published, except in circular form. It was sent in this shape, soon after it was written, to several newspapers in the state, and soon after it was sent off, Mr Hill telegraphed requesting those he sent it to not to publish it. Governor Colquitt did not see a copy of it until a few days before the legislature met. This we learn from a member of the committee. The committee will continue the investigation to-day. Mr Murphy has been requested to appear with his counsel if he desired to do so. We are informed that he will be present with his attorneys, Messrs. Hopkins & Glenn, to-day. The committee also asked Governor Colquitt to be present if he desired to do so. They will also ask Mr Hill. When the committee commenced the investigation, the chairman, by direction of the committee, addressed the following

LETTER TO HON. B. H. HILL:

SENATE CHAMBER, ATLANTA, Nov. 11, 1878.

Hon Benjamin H. Hill—Dear Sir: The joint committee, appointed by the general assembly, under the special message of his excellency, Governor A. H. Colquitt, has organized, and will meet at 3 o'clock p.m. this day in the private room, in the capitol, of the president of the senate. If you have any charges to prefer regarding the motives and conduct of the governor in signing the bonds of the Northeastern railroad company the committee will be ready to receive them at said time and place. Respectfully,

JOSEPH W. PRESTON, chairman.

Mr Hill immediately replied to this letter. We give his reply below. It was sent to the committee day before yesterday, and was not published in our notice of the proceedings yesterday simply because we could not get it. We failed yesterday to get a copy of it from the committee, but Mr Hill furnished us a copy on making application to him for it.

MR. HILL TO THE COMMITTEE.

ATLANTA, GA., November 11, 1878.

Hon. Joseph W Preston, Chairman, etc: Sir—Your letter of this date is before me. You inform me "that the joint committee appointed by the general assembly under the special message of his excellency, Governor A H Colquitt, has organized and will meet at three o'clock p m this day in the private room, in the capitol, of the president of the senate." You then add that if I "have any charges to prefer regarding the motives and conduct of the governor in signing the bonds of the Northeastern railroad company, the committee will be ready to receive them at the said time and place."

In reply to this you must allow me to say, with some emphasis, that I have never made nor intimated, nor intended to make or intimatef nor will I now make or intimate any charge of any kind or character against Governor Colquitt. Certain facts of

A GRAVE PUBLIC CHARACTER

became known to me by virtue of my relation as counsel for the Atlanta rolling-mill company. This company was much interested in the indorsement of the bonds of the Northeastern railroad company, and was the real instigating party to the litigation in the courts touching the legal right of the railroad company to that indorsement, and it was for the purpose of that litigation before the courts that I came of counsel for the rolling-mill company. The facts alluded to were communicated to me by the president and manager of the rolling-mill company, and related to the conduct, motives and representations of Mr John W Murphy in procuring that indorsement, after, as alleged, all other agencies had failed. Mr Murphy was at the time, and I believe yet is an official of the executive department under the treasurer. In view of my personal and political kindly relations to the governor, and my obligations to the people of Georgia, and after taking the confidential counsel of one of the ablest and best men of the state, I deemed it my imperative duty to communicate the facts to the governor precisely as they had been communicated to me. I did so, assuming in doing so that the governor was not only

INNOCENT OF ANY PARTICIPATION IN THE WRONG,

but was even ignorant of its existence, and that he ought to have the information to enable him to protect himself and his office from possible suspicions and the public from possible repetition of the wrong.

This is the only connection I have had with this matter, and I have had and now have no more interest in it than any other citizen of Georgia.

I must beg pardon of the committee for using this occasion to say that the attempt which has been made in several quarters to make me a party to any issue with Governor Colquitt, by perverting this plain, single and straightforward act of personal friendship and public duty on my part, into a motive, purpose, or desire to injure the governor, cannot be the work of any wise or true friend of the state, of the governor or of myself. Its inspiration being unfriendly to the real truth, must be friendly to the real wrong of the matter. There is nothing in the situation and nothing in my inclinations which can require or induce me to become a prosecutor in this case. There is everything in my position and feelings which forbids me to play that role. I therefore respectfully decline to make any charge against his excellency Governor Colquitt. With considerations of high regard, I am yours very truly,

[Copy] [signed] BENJ. H. HILL.

ENVOI.

We hope to be able to-morrow to give all that was done by the committee. The fact that some of the committee are so eager to be private about it, makes many people believe there is something terrible to be developed. If there is, we will get it and the public shall know it the next morning. We may not be able always to guess who will be elected to congress, but we can beat the world on giving the news.

Q. Governor, you state in reply as to the nature of the charge, that the nature of the charge was that you participated in a fee with Mr. John W. Murphy. What office does Mr. Murphy hold in the executive department? A. He holds a clerkship in the treasury department. We did not consider it a part of the executive department.

The following resolution was offered by Mr. Hall:

"Resolved, That Governor Colquitt and such friends as he may invite, Hon. B. H Hill and such friends as he may invite, and John W. Murphy and his attorneys be permitted to be present during the sitting of this committee."

Adopted.

Hon. B. H. Hill called and sworn.

On motion of Mr. Hall, the committee adjourned to 3 o'clock p. m. to-morrow.

HON. B. H. HILL.

In the spring, I think in the month of May, 1877, Mr. William Goodnow, who represented himself as manager of the rolling-mill company, with authority to act for that company, came to my house and asked me to examine into the right that the Northeastern railroad company had to have their bonds indorsed by the governor. He left with me certain papers for that purpose, saying that the rolling-mill company was interested, having furnished iron for about forty miles. I examined into it and it seemed to me that the railroad company was entitled to the indorsement. I could not see what reason could be assigned for refusing the indorsement. I came up to see the governor to ascertain the reason why he did not sign the bonds. I made known to him the purpose of my visit to him—to know why he did not sign the bonds. The governor said that it was very evident to him that it ought to have been done by the previous governor. He thought that the matter ought to be left to the legislature. He seemed inclined to take no responsibility in the matter. He said to me, on my pressing him a very little to indorse the bonds, he did think the question ought to be made to the courts. He stated why and called my attention to the 2d section of the act of 1874, known as the act repealing the state aid laws. I had not noticed that section until the governor called my attention to it. I told him that he was right about it. That the courts had to pass upon the question and that he was entirely right in refusing until the courts acted upon it, and so advised him not to do it. I thought that he was right in not acting. That ended that interview.

Mr Goodnow called a few days after—probably the day after—to know the result. Before leaving the governor I asked him if a judge of the superior court should decide that the company was entitled to the indorseme t, whether he would thereupon indorse the bonds? Governor Colquitt's reply was, "I think you are putting him up a promise." "But," says he, "do not understand me as promising. I do not want to encourage them with a false hope." When Mr Goodnow came to me afterwards, I told him that the governor was right and that this issue must be met firstly in the courts. He thereupon employed me to have that issue made. The terms were agreed upon. Under the rules of law and practices in equity it was necessary that a bill should be made by some citizen. (It was necessary, therefore, to get some citizen to bring a bill and to get some attorneys to represent the complainant. Of course I represented the defendants—my clients.) I mention this because, in the arrangement of my fees, I was to employ additional attorneys. No such fee was ever made for my individual services. We had to employ the attorneys for both sides. I was to pay them myself and employ them myself.

Mr Goodnow was very anxious that the Northeastern railroad company should be responsible for half the expenses. He made several trips over to Athens on the subject. Finally, Mr Cobb and Goodnow came to my office with a drawn contract that the railroad was to pay my fee provided they got the indorsement. I was to be the counsel of the Northeastern railroad and the rolling-mill to the extent of representing the case before the superior court judge. I was to employ the attorneys and bring the case before the superior court. If the case was to be brought before the supreme court my obligation was to cease, and any obligation upon the part of the road to pay was to cease, and it was for the rolling-mill alone.

They could easily pay $5,000 if they could get a decision so soon. I will state that this agreement is in writing between the rolling-mill and the railroad. I would be glad that the committee would get it. It is in the city somewhere. I have not a copy.

[Mr Glenn produced a copy.]

I think Mr. Thompson made out a copy and it is in his hand. I would be glad to have it go on the record, because it shows my status in the case. [The contract appears farther on in the record.] That fee there is so much talk about, I was interest-[illegible] with two other gentlemen. [illegible] state there was a party procured. Mr. Morris, of Athens, consented that his name should be used as an accommodation complainant. The suit was brought before Judge Rice, and I think he heard it on two days, and finally made a decision against the company and granted the injunction. It was brought to the supreme court and the supreme court decided that the decision should be sought from Governor Colquitt; that it was purely an executive question and that proceeding was unconstitutional, and could not interfere with the petition. Of course, we then went to the governor to know what he would do in the matter. I went several times and pressed the case. I thought it was a duty he ought to discharge. I procured myself several gentlemen to see the governor and lay their opinions before him. Governor Brown sent in an elaborate opinion. Other lawyers presented opinions. The governor again did not give me any opinion of when he would order it. That is to say, he declined to say whether he would or would not indorse the bonds, expressing a desire that the matter should be referred to the legislature. He seemed to desire, though the court had decided it, to let the legislature settle it. I told him that would ruin the rolling mill and the railroad too; that the rolling mill was embarrassed and that the Northeastern railroad was sued by the rolling mill and others, and that other railroads were trying to gobble up the road. The railroad would be ruined if he did not indorse these bonds. But still he would not and I went away to Washington. I came up and had a lengthy interview with the governor. I was going away and I presented my opinions. I think it was in October. I am not certain, but it might have been when I was on my way to the short session in December. I remember very distinctly it was my purpose to make my last argument in person. After we talked about it some time the governor said that he was very much impressed with the equity in the case. He said to me: "Ben, you can make anything plain, as a lawyer, but now, as a man, do you think that the railroad is entitled to this indorsement?" I told him I did. That I had taken a purely conditional fee, which I would not have done but for that. He says: "Are you willing to go on record that way?" I said, "Yes; I am willing to it." He promised to address me a letter in Washington, arranging questions for me to answer in support of his action if he concluded to indorse the bonds. I told him to write the letter and I would answer it very truthfully. I expected it.

The next day, just before my departure, I ran up to his office to remind him of a favor I had asked before. I asked him, if he indorsed the bonds, to let me know in time to save my fee. I did not say how. He said he would do it with pleasure. Either then, or the day before, he said: "Now, Ben, don't understand that I have promised to indorse the bonds." I said, "No." He said: "Don't say to your clients that I will indorse the bonds, because I don't want them to have a hope that may not be realized." There we left the matter. I went to Washington until in January, but in January I received a telegram from my son in Athens saying that the governor had indorsed the Northeastern railroad bonds. Mr. Barrow had an interest and wrote me a letter. He was to get part of the fees. I was surprised at the telegram, because I had not received the letter the governor was to write. I supposed that probably it was a mistake that he had indorsed the bonds; that my son was under a mistake. I sat down and wrote Mr. Wm. Goodnow a letter and told him that I was satisfied the bonds would be indorsed when I left home. I asked him to send me the blank of the receipt for my fee and told him I would tell him what to do with the bonds. Gentlemen were pressing me for a division of the fees. I received from Mr. Goodnow this letter:

[Letter from Goodnow to Hill.]
[Strictly Private.]

ATLANTA, GA., Jan. 24, 1878.—Hon. B. H. Hill, Washington, D. C.—Dear Sir: Yours of the 18th is before me, and I note what you say, and in reply I hardly know what to say to you. Much to the surprise of those most interested, the governor backed square down, and we only procured the bonds by paying a large amount of money to parties so near the executive that I can not believe the negotiations were unknown to him (the governor.) Is it not mortifying to know that such things could be done, even while the trial of Bullock was pending? The bad faith, and, as I believe, most unjustifiable delay of the executive to do his duty, as expressed by the legislature, insisted upon by the leading members of that body by personal appeals to the governor, and affirmed months and months ago by many of the best legal minds in the state, and virtually by the supreme court, all seemed to be of no avail. But I can not put upon paper what I will tell you when we meet. By far more than we made on the iron it has cost us to get our pay, to say nothing of the serious loss we have incurred to our credit by the withholding of the signature until we were in the condition of a drowning man—ready for relief at almost any price. I feel so indignant about the transaction that I can not trust myself to dwell upon it. I recognize your efforts in our behalf, but not only yours but all others, but one, proved ineffectual. I shall do something—all I possibly can under the circumstances. Let not one word of this escape to any one until you see me. Yours, respectfully,

WILLIAM GOODNOW.

That letter, of course, was a very surprising one to me. I sat down immediately and called the attention of the governor by letter to his promise to give me notice before he signed the bonds, and desiring to know the reason he failed or refused to do so, and I received this letter from Governor Colquitt in reply:

STATE OF GEORGIA, EXECUTIVE DEPARTMENT,
ATLANTA, GA., January 30, 1878.

Hon. B. H. Hill, Senate United States: Dear Sir—I have yours of the 26th before me, and regret to see, by its tenor, that you have found anything in my action in regard to the signing of the Northeastern railroad bonds to complain of. It is true that I did say that I would give you notice if I concluded to sign the bonds, and I would have done so, but in anticipation of my action and before I made any declaration of my purpose, it was announced in the papers that they would be signed. This was assumed, I suppose, from the character of the inquiries I was making. This intelligence, transpiring as it did, I knew would reach you, and to give you the additional notice, would be giving you no news, and as far as I could see, would serve you in no way.

I cannot yet conceive how the fact of my giving you notice could affect your right to a fee for your services. Let me express the hope that your apprehensions in regard to your fee will not be realized, for I can testify to the earnestness and the ability with which you pressed the interests of the company. I would regret very much if so trivial a matter as the failure of notice should affect your interest or feelings prejudicially, for to serve and gratify you would always give me pleasure as I had hoped my determination to sign the bonds had done.

I am, very truly, your friend,
ALFRED H. COLQUITT.

I kept the contents of that letter of Mr Goodnow sacredly to myself. I did not believe a word of it. It so happened that I had to come home about the middle of February to try a case in Griffin. I think that case was set for the 14th February. I think I arrived in Atlanta on the 12th or 13th. I went, after supper, directly to Mr Goodnow's house and he stated to me that he had news to tell me that he could not put on paper. I told him as I was counsel I demanded to know the facts. I denied his right of concealing anything from me. He said Mr Morrill knew more about the facts than he did. He said Morrill had been the chief negotiator. I said send for him immediately. He did send for Mr Morrill and he came over to Goodnow's house. I repeated to Morrill about what I had said to Goodnow: that I had a right to know the facts and that the parties had no right to conceal anything. Morrill did not want to conceal, but thought I was entitled to the facts and he gave them to me. I do not know that the very words that were used, but I said to him: "Tell me the facts exactly as they occurred." I said: "Give me the language precisely, so I can know the facts." He said he would do so, and seemed to be exceedingly careful. He said sometime early in the fall—either about the last of September or first of October, (previously said that) Mr Murphy, calling him, I think, West Murphy, in the treasurer's office, came to him and told him he could get the indorsement on these bonds quick, that nobody else could and that if he would pay him $15,000 he would get the indorsement. I think Mr Morrill said he conferred with Mr Childs (he happened to be in the city), to know whether, without calling Murphy's name, the railroad would agree to share in that way? He said he would refer the matter. He dispatched and said the railroad would have nothing to do with such a matter. Morrill declined, too. The rolling-mill could not afford to pay such an amount. He said the matter dropped sometime. He said Murphy came frequently and said nobody could get it, and insisted that he could. Finally he fell to $10,000. Morrill was not willing to pay $10,000. It was said at last in one of the interviews, the pressure was so great. Said Morrill: "Meet me at my house at 4 o'clock Sunday afternoon." Murphy came to his house as appointed. Morrill spoke of his reluctance and his frequent expressions that it was "damned hard," or 'a hell of a case that people could not get their rights without paying money for them!" He offered Mr. Murphy $5,000. Murphy refused to take $5,000, but that evening fell to $8,000. Morrill still hesitated. Finally, Murphy says to him: "Morrill, I know just what you are thinking—you are thinking that I have found out that the governor is going to indorse these bonds and I am going to run in and get it." He said it was not so. I think he said: "I know you will never get this indorsement until you pay this money, for the truth is, there is an old man up yonder with a big office and never expects to get it again. He is poor as Job's turkey, or a church mouse, and he is going to make all the money he can out of it." Morrill was never in such a fix in his life. He said the banks—didn't say what banks—had advanced sufficient money; that the rolling-mill was about to break, and the banks about to break, and he thought that everything was going to the devil in two weeks. He said to Murpuy: "You get the bonds indorsed and I will pay you the money." Murphy says: "Put it in writing." I think I am quoting exactly Morrill's language. Morrill said: "Hell! put such a thing as this in writing?" Murphy said there were several parties interested and who must be satisfied. "I want to show the writing to them." Something was said about the Citizens' bank, or Mr Hoyt, which I cannot remember, but somehow or other that Mr Hoyt, or the Citizens' bank came in sometime in the * * Mr. Morrill went on. He said that Murphy's proposition at first, after they had agreed to pay the $8,000, was to get the indorsement in 10 days; but he said next day, when he came to draw the agreement, Murphy said he must acknowledge that the work could not be done in ten days, but he must have twenty days, but that the bonds would be delivered as soon as the work was done. That agreement was made and the agreement drawn up that way. The bonds were all to be indorsed. It was the 10th day of January. It was not any part of that agreement, but he pledged the Citizens' bank that ——— will pay the $8,000.

Mr Morrill said he went into the treasurer's office either the next day, or the day after, in forty-eight hours, and saw Murphy and the governor in conversation. He said the governor looked very much disconcerted He said he thought they were indorsing the bonds. He said he wasn't positive about that, however. He turned and went out. He said sometime afterwards—but didn't state when, for he did not have the written contract with him—that Murphy came down to his office about 12 o'clock in the day and said he wanted his money. He (Morrill) called it "swag." He wanted his money, and said that the bonds were done indorsed and would be delivered, but he wanted his money then. Morrill said: "I have not seen the bonds, and I do not know whether they are indorsed or not. What are you in such a hurry for? Can't you give a man time to smell of them?" Murphy said he could wait, but the "old man" was going off that night, and could not wait. Morrill told him to come back in two hours. He said that the bonds were done indorsed, but not delivered. He said when Murphy came for the money he did not pay him, but he gave him a check on the Citizens' bank for $8,000. That was the conversation Morrill had with me on the 12th or 13th, and at Goodnow's house, and in the presence of William Goodnow. I took the train that very night to try a serious case at Griffin, and was two or three days on it. As soon as I got through that case I returned to Washington city. I determined to keep this matter to myself. I ought to state, however, that Goodnow came to me sometime in September and said: "It is whispered in my ear, or intimated, that if I will pay a large sum to some man up in the executive office I can get the indorsement." That was in August or September, 1877. Mr. Goodnow came to me and said, in front of my office, "It is whispered to me that if I will pay money to a man in the executive office I can get the indorsement." I said to him: "Mr. Goodnow, some man is making a fool of you." I said: "The governor is an honest man." I said: "Don't you listen to anything of that kind, and don't pay one dime!" He said he would not.

Sometime during the spring of 1878 Governor Colquitt was in Washington. That was, of course, after I had learned all these facts. I did not think that it was a proper time to disclose them to him. But we were sitting in the cloak-room and I said: "Alfred, sure enough, your failure to give me notice has imperiled my fee and I think lost it. He said the fact was they had so much money to pay somebody else that they did not have it. I said I did not believe it. He said if he was in my place he would not say that.

I came home and found my wife in pretty bad health. I took her off to the springs and did not come to see the governor. I was so anxious to get at what was right in the matter, I took the precaution of inviting Judge Trippe into my office and shut the door. I told him I had a matter to lay before him to get his advice. He sat down and I gave him a full statement of the facts just about as I have given it to this committee. I said: "I want to know, judge, my duty in the premises?" He said, with a great deal of feeling and earnestness: "Ben Hill, it is your duty to go and tell Alfred Colquitt." He said: "If I was governor, and you didn't tell me I would outlaw you! Fulfill your duty to the public. It is your duty to tell him!" That agreed with my own feelings of duty. Judge Trippe is the only party I stated that to. I had stated that partially to two others before, but not fully. After getting this opinion of Judge Trippe I came up on the 24th day of August to see the governor. I walked in and told the governor I had come to see him upon a matter of very great importance and I would have him act towards me as I would act to him if our positions were reversed. I repeated to him what I had said in Washington, that the parties stated they were unable to pay me. I think I said why I came to him. I had gone to them in the first place and demanded of them my fees. I said they told me they paid West Murphy (they called him) 8,000 in cash to get that indorsement—of course upon representations that they could not get that indorsement. Alfred said he didn't believe it. That forced me to go into all the details. I went into the details as fully as I have here. One thing I do not think I stated fully: that was what Morrill said about the indorsement in twenty-four hours and his going into the treasurer's office. He said: "Well, I remember Mr Murphy did tell me he had an interest in the matter, as he did not want me to believe he was taking an interest himself for nothing." I said: "Is he a lawyer?" He said: "I suppose he is a lawyer, but he is a clerk now!" I said that I do not believe that anybody would pay Murphy $8,000 for his legal services. I do not believe that they would pay him $8,000. He said he didn't suppose anybody would say he was guilty. I said: "Alfred, I wouldn't allow anybody to say you are guilty." I said: "I believe Murphy represented to the parties that they could not get the bonds indorsed without paying money." But I told him that it would not do in these days for a man to rely upon his goodness; that he had better take action in the matter. He said that he would see Mr Murphy and get the facts from him.

I suggested "this is an important matter now, and the evidence that Murphy got the money is in writing, and nobody will stop to believe that he got it for services or legal ability, but that he got it by making them believe—

That is the only suggestion I made to him in that interview. He said he saw his duty. I left him and expected to hear from him, but did not hear from him for some time. I had not, up to that time, seen the writing myself, and I determined to see that. I called upon Mr Morrill and demanded to see the writing. I examined the writing. It was a pledge to Hoyt from the Citizens' bank to pay $8,000 in 20 days, and in red ink in the corner it said: "Received $8,000, 13 days after." I immediately went to Judge Hoyt, to ask what interest he had in it? He shrugged his shoulders and told me he didn't have any interest in it. I said he paid it to West Murphy, and I said he had no right to pay it to Murphy. I told him he (M) had given a receipt for it in writing. He said, "Did he?" I told him he had, for I had seen the receipt and it was in his handwriting.

In the meantime Judge Trippe came into my office and said:

"Ben Hill, you enjoined me to secrecy about that bond matter." (I gave it to him in confidence.) He said: "Milt Smith knows all about it!" I said, "How does he know it?" He said: "He told me all you told me. He told me all about 'the old man.'" In the meantime I got information that others had got it, but not from me.

When I found out that Smith had got it I felt more anxious for the governor, so I came to see him again on the 10th day of September. The first time was on the 24th of August and the second on the 10th of September. I went into his office and said: "Have you seen Murphy?" He said "yes." and said, "He says there is nothing of it. He said he got the money but my name wasn't mentioned. Morrill has been here and says my name was not alluded to in any shape or form?" I said, "Governor, Morrill did not mention your name but I will swear just what I said about the "old man'!" I said: "Send for Murphy and Morrill and have us face to face, and bring out the facts." He said "no," for me to see Murphy. I then told him he did not appreciate the situation, feeling that he was not guilty, and that nobody would believe him guilty. I did not believe it myself. I would defend him as quick as anybody. "I found that the pledge was given by the Citizens' bank to Hoyt.

That in pursuance of that pledge the $8,000 had been paid, and that, in my opinion, they ought to give it up. He said if Murphy did have any he would not give it up that way, for lawyers didn't do that. I then told him what I had heard about Governor Smith. I said: "Alfred, this is among your enemies." He said, "Yes." Hugh Haralson had mentioned it in Washington. Haralson mentioned the thing in my room in the presence of my wife. I reproved him for it, and he said Smith was "going to bring it out." I said: "Governor, you must bring it out. Besides, I am going to bring suit against the rolling-mill. I will garnishee Murphy and Hoyt, and if they answer, "No money," I will traverse the answers, and prove by you that the representations Murphy made were false." I said: "It is going to come out." I told him to make the issue with Murphy forthwith. I told him he ought to have Murphy dismissed from the executive building—that he ought not to stay one hour longer. He said he had no power over Murphy. I said: "No; but you can have him out of this building." I said he was speculating on your office. I said you ought to instruct the attorney or solicitor-general to indict him for receiving money under false representation. I said: "You can come in and swear it yourself." He said he didn't get any of the money and nobody would believe he got any. I then told him it wouldn't do to let this matter rest. I was trying to protect his reputation; that his enemies were taking hold of it; that the facts were exceedingly ugly for Murphy. I have known you a long time; you are governor of Georgia; you have a reputation all over the United States as a Christian gentleman, and I would have that railroad and rolling-mill sunk before I would have your character smirched. I said when I came home I found a young man in my son's office, under indictment for receiving money to suppress an indictment. He said: "Ben knew he was perfectly innocent." I said: "Don't let that man come about this office, and prosecute him with your whole vim and vigor, and show by that that you had nothing to do with it." I said, "This thing is between you and Murphy. He has committed a crime against you as governor, and a crime against the people of Georgia, and it is your duty to take steps to protect yourself and your office."

He said, in the course of conversation, that "it will do no good to have Murphy return this money to the company, and said if it is found out that Murphy returned the money it would be thought that was a confession that it was wrong to receive the money."

"Oh," said I, "I don't advise you to make Murphy to return the money and suppress it at the same time. That can't be done. But to return it, to repair the wrong and vindicate yourself." I then said to him that I thought he ought not to allow clerks in the executive offices to take fees. Says I to him, further, I have not taken a fee before the executive. I would not have taken a fee in this case, only because it was a case in the courts, but to allow a subordinate in the executive office to take a fee—that wouldn't do! He said he thought it didn't matter.

Q. Is that the last conversation you have had with the governor? A. Yes, sir; that is the last interview I had with the governor previous to the meeting of the legislature.

Q. Did you have any conversation with Governor Colquitt last Sunday evening? A. I did, sir.

Q. Have you any objection to stating what that conversation was? A. I will state frankly that that interview with Governor Colquitt on Sunday evening was confidential in the presence of two friends.

I will say that interview was gotten up between us by friends, thinking there was unkind feelings between us. They said I was to have the interview. I had no unkind feelings toward him and so say to the committee. They arranged to have an interview last Sunday evening at four o'clock. I told the governor individually that I had no view to injure him. After I approached him formally, I told him the advice I gave him was such as I would give my own son. I saw he would be entrapped and ———— I told him to wrest himself from Murphy. I had no ill will to Murphy. I was for protecting the interest of Georgia. If Murphy had been my own son I would have done the same thing. It was a personal thing to Governor Colquitt. Governor Colquitt then exchanged a good many things he had heard and I what I had heard. It came up that I had written a card to the public reflecting upon him. I explained to him the circumstances under which that card was given. I will relate that here. After Murphy approached me in October with, I think, the manifest purpose of assassination, it was talked about, and I received a letter from Mr William H Moore, in which he outlined certain reports that Mr Murphy had attacked me because I advised Governor Colquitt to dismiss him from the capitol building. He said he would get a letter from the executive office that day. I took that letter home with me. I thought I would not go before the public in reply to that letter. One thing in that letter was not correct and that I corrected. I told him what I went to the governor for. When I went to my office there was "THE CONSTITUTION" with a statement under the head, "A Contested Fee," which statement was neither more nor less than an outrage, which I expressed to the editor. I stated to Mr Moore that it was a perversion, and stated that what was "Senator Hill's statement" was preposterous. I had seen nobody on the subject. During the day I learned from no less than three gentlemen that the article, headed "A Contested Fee," was written under the supervision of Governor Colquitt and Murphy. Governor Colquitt said, so far as he was concerned, that it was false! He did not want any statement about it. I said to him, after I had been attacked and saw the purpose to be undisguised, then to be told by two gentlemen * * * * * that it (the article) was made up with his supervision and with Murphy. Why, of course, I thought it was too much to bear. Mr. Grady said he was going to publish an article next morning, and not show it to me, but to Murphy and Colquitt, because THE CONSTITUTION was going to befriend Governor Colquitt, and defend him and Murphy. I stated that I wanted to separate the true issues in the matter from the false ones; that this proposition involved an issue of crime in office.

* * * * * I stated that I did not print them for circulation, but for two reasons. I want to explain that * * * * * * * * getting it printed for the purpose of sending it to editors. I think somebody requested me to do that Mr. Wright has * * * * I had struck 25 copies and sent them to (or six) editors and two to another party, intending to give THE CONSTITUTION one in time to come out with the balance. My son got hold of a copy that night. He came back and said that letter would be construed into an attack upon Governor Colquitt. I said I did not intend to attack him. I said I have nothing in the world to do with this scandal. I do not state anything but facts, but said, 'if you think that construction will be put upon it, I will suppress it." I went up to my office and sent telegrams off to suppress it. I gave one copy to Mr. Jeffries and I went and took it up. It was all in good faith, but as soon as my son said that it was his judgment that it would be construed as an attack upon Governor Colquitt I took steps to suppress it. I said that last Sunday. I —— so that Governor Colquitt seemed satisfied I was. There was nothing in this matter personal with me. I did not intend to prosecute this thing. I would not bring it before the committee. Though the committee did not send for me, I wanted to come before it. If I have varied anything by a hair's breadth, I am not aware of it.

Q. Mr. Hill, I will ask you whether in any conversation with the governor you stated or intimated to him that if your fee was paid or he would use his influence with Murphy to see it paid, the matter would be settled? A. Never! Neiher did I say any such thing to anybody. I did not think Murphy had anything to do with our matter. I looked to the rolling mill. I advised Governor Colquitt to make him return it to the true owners. I never entertained anything of that kind. This matter is a public matter—my fee is a private one. I have garnisheed Mr. Murphy for my fee.

Mr. Glenn. Mr. Chairman, Mr. Murphy asks me to state to the committee that I represent him, and I beg leave to ask some questions of the witness.

The chairman assented.

Mr. Glenn. Didn't you say to the governor that if Murphy would put it back that would settle the matter? A. No, sir. In my first interview with the governor, before I heard this about Governor Smith, I might have said this to the governor. I had no injury. I might have said if he would make Murphy return this money and repair this wrong he could get a statement from me to that effect. I wanted it returned because I considered it exactly as stolen.

Q. If he had returned the money wouldn't you have got your fee? A. I do not know, sir.

Q. Isn't the rolling mill insolvent? A. Of course the rolling mill is insolvent. I had to swear that before I got the garnishment.

Q. Isn't that the fund you look to to get your fee? Don't you know the rolling mill? A. I will say this: I look to the rolling mill as liable for my fee, and I think the Citizens' bank, Murphy and Hoyt are each liable to pay this money. Thompson tells me he thinks the rolling mill will be able to pay me the fee.

Q. I think you are wrong in your understanding. Didn't you state that the rolling mill owes your fee? A. Yes, sir.

Q. Let me read? (Read a plea against the rolling mill.) A. I have seen it. It has never been paid, and I have sworn it was due.

Q. This plea is pending? A. It was yesterday. That plea is pending, of course.

Q. Did you understand that Mr. Thompson stated to you that they recognized your fee? A. Yes, sir; that is what he said to me yesterday. He said the rolling mill do not deny your fee except as to amount.

Q. Tell us your contract with the rolling mill? A. I will tell you: I was to get $7,000, out of which I was to pay lawyers on the other side and my expenses.

The chairman states that it seems that this going outside of the issue—the settlement of this claim between the rolling mill and Mr. Hill

Mr. Hill states that he * * * * * * * result of that transaction.

The chairman states that anything will be listened to that will show the motive and conduct of the governor in signing these bonds.

Mr. Hill wished to state that he "never went to Governor Colquitt in August or September with any reference to my fee." I never looked to him or Mr. Murphy as having anything to do with my fee whatever. My fee had nothing on earth to do with it.

By Mr. Hammond. I would ask whether it was under irritation produced by the the appearance of this card in THE ATLANTA CONSTITUTION that this circular was prepared? A. I cannot say that the circular was perpared under irritation. That article was prepared and not shown to me. It was its injustices and misstatements I wanted to correct, but I did not write the circular under the influence of irritation. I cut that statement out. It is headed "A Contested Fee." I am told that they have seen fit to call it "Senator Hill's Story." Senator Hill has got no story. (Circular shown to Mr. Hill.) This is the circular, but when I found it would be construed, as my son suggested, I suppressed it from publication.

The following resolution was here offered by Mr. Hall, of the committee:

Resolved, That this committee will only report touching the conduct and motives of Governor Colquitt, and will make no investigation touching the conduct of Mr. John W. Murphy, except as that conduct may illustrate the conduct or motives of Governor Colquitt.

Motion by Mr. Cox to postpone indefinitely. Carried.

Q. By Mr. Glenn. This written contract, Mr. Hill, seems to be for $10,000; why is that? A. This is the contract between the Northeastern railroad company and the rolling-mill company. They brought it to me and asked me to examine it. My contract was for $7,000 and I was to be their counsel. Why the $10,000 was put in I do not know. Each party was to pay not exceeding $5,000. I asked for no explanations.

Q. Didn't you sue for $10,000? A. No, sir; if you will notice my affidavit it is $7,000.

(Objection was made to the questions.)

A motion, by representative, ——, that Mr. Glenn be permitted to ask Mr. Hill as to the amount of his fee prevailed.

Mr. Hill. I said my fee was $7,000. That was my contract with the rolling-mill, and that I was to be their counsel.

Q. You were employed by the rolling-mill company to get this indorsement? A. No, sir; my fee was made for services in the courts. I never took a fee before an executive.

Q. Do you mean to say your employment was solely in litigation? Being employed, I expected to see it through the courts. I was, of course, going to do all I could to get the indorsement from the governor. The fee was for me to represent them in the courts, but I was going on to get the indorsement.

Q. Then your fee was for litigation only? A. I have answered that it was because of the litigation that I took the fee, for I never go into a case but for the reason of the litigation. The contract between me and the rolling-mill was in writing, and has been read here.

Q. In the contract you were to act for them and select the lawyers to manage the case, and Governor Colquitt intimated, you say, that he would indorse the bonds upon the decision of the superior court judge? A. Yes, sir; but told me not to say so.

Q. Did you get a decision before the supreme court? A. Yes, sir.

Q. Didn't you indeavor to have the governor indorse them then? A. Yes, sir; by way of argument, but the governor seemed desirous to have the opinions of different lawyers of the state. General Toombs gave his opinion, I believe, that the road had a right to the indorsement. Governor Brown said he did not want to give an opinion to the governor. I think he gave his opinion to Mr Childs. I think others were procured. To gratify the governor, I asked Major Bacon to ask General Gordon for his opinion. Judge Jackson gave his opinion very strongly that the road was entitled to the indorsement.

Q. Was that at your request? A. I had him to give it.

Q. Was it at your request General Gordon gave his opinion? A. Yes, sir; General Gordon stated his opinion and asked me to give it to the governor.

Q. Didn't the governor actually want to get at the intention of the legislature? Didn't that seem to be much in his mind? A. Perhaps there was something said of that kind. There is an idea upon my mind that the governor did say something about the intention of the legislature. I told him I did not know how that was. He told me he could not get up the evidence to satisfy himself.

Q. Before you went to Washington, didn't you state to Doctor Carlton that you had made your final argument or appeal and had no hope? A. No, sir; I might have said that was my final argument.

Q. Didn't you state you had no hope of the indorsement? A. No, sir; that was not the truth. He asked me if I would allow him to put my opinion on file as I had spoken it to him. I told him I would. I insisted on his promising to indorse the bonds. He said, "Do not tell your clients they will be indorsed." I laughed and told him I thought they would be indorsed.

Q. You were a senator and was going to Washington? A. Yes, sir; and he was to write me a letter, and I was to look into the constitutionality of his action.

[Some newspaper extracts were handed to the committee by witness.]

Q. Are you sure these extracts are correct. A. Yes, sir.

A motion to adjourn to 7 p. m. was amended, making the hour 3 p. m., and then withdrawn.

Representative Gray asked leave of absence. Granted.

Motion to adjourn to 9 a. m. the following day was agreed to.

CONTINUED ON FOURTH PAGE.

Commissioner's Sale.

BY VIRTUE OF AN ORDER FROM THE Superior Court of Douglas county, Georgia, the undersigned Commissioners appointed by the court, will sell at public outcry, before the court house door at Douglasville, in Douglas county, on Tuesday, the 7th day of January, 1879, all the real estate belonging to the New Manchester Manufacturing Company, being one hundred and thirty-three and one-half acres, situate in Douglas county, Georgia, consisting of lot 882, and parts of lots Nos. 883, 923, 929, 954 and 953, in the 18th district and 2d section of original Cherokee, now Douglas county. Upon said property is a valuable Mill Site and one of the best Water Powers in the State. Said sale to be made for partition and sold at the risk of Henry L. Russell, the former purchaser. Terms cash. Purchasers to pay for titles.

JNO. C. BOWDEN,
W. N. MAGOURK,
Commissioners.

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Type for Sale.

100 POUNDS BOURGEOIS,
[illegible] pounds Brevier,
Small Font of Pica.
Has been in use but a short time.
[illegible] CONSTITUTION OFFICE.

THE EVIDENCE.

TAKEN IN THE INVESTIGATION.

Called For by the Special Message of Governor Colquitt.

[CONTINUED FROM THIRD PAGE.]

THURSDAY, November 14, 1878.

The committee met, pursuant to adjournment, at 10½ a. m.

The stenographer, Mr. Kiker, being sick, C. K. Maddox was employed.

By resolution it was unanimously agreed that he should receive twenty cents a hundred words for the work done by him, being the compensation allowed by the act of the legislature of 187– for reporters in the superior court, and that this committee would become responsible for the payment of his services if the legislature does not provide for the same.

Governor Colquitt objected to putting the opinions of certain witnesses as to his actions and motives upon the record. The consideration of the question was postponed.

Mr B H HILL took the stand.

Mr Fort. I wish to ask Mr Hill whether, in his opinion as a citizen of Georgia, and as a lawyer, it was not the duty of the governor to indorse the bonds of the Northeastern railroad company. A. It is my opinion that it was his duty. As a citizen, as a lawyer, as a patriot and as a gentleman, I think it was his duty to sign those bonds. I examined the question and came to that conclusion before I ever took any step in the matter. I would not have recommended it if I had not come to that conclusion.

Mr Glenn. Are you not satisfied, Mr Hill, that Governor Colquitt got no part of this money that Mr Murphy received, and that Governor Colquitt did no wrong in indorsing these bonds? A. Allow me to say that I think that is a question that ought neither to be asked nor answered. It is asking the witness his opinion of the merits of the case, and I think it is improper to ask the opinions of a witness. I have expressed no opinion upon this question, except the one that I intimated to the governor during our interview.

After some debate, this question was excluded.

Mr Glenn. I want to ask you, as a lawyer, is there any law in Georgia that prohibited Mr Murphy from taking a fee to procure the indorsement of these bonds? A. I have not investigated whether there is any law or not. If there is not, there ought to be.

Mr Glenn. Do you know of any law? A. I do not know that the idea of a clerk in the executive department receiving this fee was ever suggested to a court or legislature or anybody else. I do not think the idea has ever occurred to anybody. I am not aware of any law.

Mr. Glenn. Is not your complaint against Mr Murphy that he obtained this money by false representations to Mr Morrill? A. That is the assumption I have always gone on; that when Mr Murphy represented to these gentlemen, either by words or otherwise, so as to create the belief on their part that they could not get that indorsement unless they agreed to pay him the money, and that that representation was false and untrue. And that is the charge I advised Governor Colquitt to order him indicted upon. I have made no charge against anybody. I have simply stated the facts, certain facts which came to my knowledge, which, in my opinion as a lawyer, authorized, and, I think, required Governor Colquitt to indict Murphy for getting money under false representations.

Mr Glenn. You made no request, or gave no advice to the governor for taking steps against him for taking this fee? A. I have no idea of any fee at all. My idea was that Governor Colquitt indorsed the bonds because it was his legal duty, and that any representations made by Mr Murphy that it was necessary to pay him money to induce the governor to do his duty was a crime against Governor Colquitt and against the state, and that he got the money under false pretenses.

Mr Glenn. Pope Barrow and C B Hill, your son, were the attorneys you employed to file the bill against the railroad company? A. Yes, sir.

Mr Glenn. Were not their fees conditional? A. They were paid by me and I got the conditional fee.

Mr Glenn. Then, their fee was conditional on gaining the case? A. No, sir; not at all. I was to employ them to do a certain work—to test the question. Their fee was not dependent upon the success of their bill, but the object for which we filed the bill. I had an understanding with them that if I did not get any pay they got none.

Mr Glenn. Then, if you lost the case, you got no pay? A. Certainly.

Mr Glenn. And then you did not pay them? A. No. The object of filing the bill was simply to make a question before the court.

Mr Glenn. That copy of the circular we had before the committee was a correct copy of your circular, was it not? A. I think it is. It was not a circular, however, but a card. I intended it to be published through the press, and not circulated in that form. I only had some copies stricken off in that form to send to the press, not to circulate at all.

Mr Glenn. You stated yesterday that Mr Morrill told you at one time that Mr Murphy showed him (Morrill) a paper with some names signed to it that would have great influence with the governor in getting the indorsement. Do you know what paper that was? A. Mr Morrill did not know what that was himself. He just stated that it was signed by some members of the legislature, or some names which he understood to be members of the legislature. This, however, had no connection with making the agreement, because it was afterwards.

Mr Glenn. It was after the contract was made with Murphy? A. After the pledge was made. It was no contract, but a pledge.

Mr Glenn. After the indorsement? A. Yes, sir; after the indorsement had commenced, I so understood it.

Mr Glenn. Did not Mr Morrill tell you that Mr Murphy's original contract was that the bonds were to be signed in ten days? A. I stated that yesterday.

Mr Glenn. And that afterwards he came and told him it was impossible to do what he intended to do in the ten days, and that he must give him longer time? A. My recollection of Mr Morrill's statement at Goodnow's home was that Murphy gave as a reason for the enlargement of the contract that the coupons were so numerous that the work of completing and signing the bonds could not be done in ten days; that he wanted twenty, although he would deliver the bonds as soon as indorsed, even if the twenty days were not out. At the interview at Goodnow's house Mr Morrill never said anything that induced me to believe that he expected any work of Mr Murphy at all. He said he did not employ him to do any service. His representation to me was that the indorsement commenced within twenty-four or forty-eight hours after the agreement to employ him. In a subsequent conversation Mr Morrill did say something about Murphy wanting some time to do some work. I do not know what, nor did he state.

Q. But you understood that work to be different from the first, to-wit: the signing of the coupons. A. I cannot say I did, for in the second conversation I asked Mr Morrill if he employed Mr Murphy for the purpose of doing any legal service or work. He said none in the world. But I inferred from what he said that Mr Murphy was doing something; what it was he did not know, nor I. But Mr Murphy, according to some representation to Mr Morrill, was doing some sort of work, getting up somebody's statements. I do not know whose, nor did Mr Morrill. But there was an idea in Mr Morrill's conversation with me that Murphy did say he was doing some such work as this. But it was not a part of the contract, nor the inducement to make it. I was very explicit on this point; I was anxious to know whether there was any inducement to pay this money other than to get the indorsement upon the representation that he could get it, and upon that he was very importunate.

Q. As to your letter from Goodnow, did you understand that letter to refer to Mr Murphy as the man who had got the money that was "near the governor?" A. I did not know who the man was till I came here and had that conversation. He just said in his letter, "a man near the governor."

Q. After you returned and saw Goodnow, did he state that Murphy was the man he alluded to? A. Oh, yes! No other man; Murphy was the one man alluded to in that letter.

Q. You stated that Goodnow met you sometime before you went to Washington and stated to you that he had been informed that by paying money he could get this indorsement. Whose name did he mention? A. He did not mention the name. I did not allow him to talk upon that subject, because I repelled it as an imputation upon Governor Colquitt that I would not entertain. He said: "It has been whispered," or I don't know that that was the word, but "intimated to me that by paying a good round sum to somebody up there near the governor, I can get the indorsement immediately." He mentioned so near the governor that it made me indignant. I said some scamp wants to make some money out of you. I do not know exactly my words, but "blackmail" or something of the kind. But I said the governor is an honest man. He is slow, I think too slow, but he is going to do his duty. It was an imputation upon the governor I did not allow to be made. I did not ask the name of the man, nor did he tell me who he was, nor did he tell me who his informant was. In fact, I did not give him time to add anything.

Judge Hall. At what time did you have the first interview with Mr Goodnow in reference to assisting him in getting the indorsement? A. I think in the month of May. In the spring of 1877.

Q. You say he submitted to you his papers? A. Yes, sir; he just came and wanted me to examine into the question of the right of the Northeastern railroad to have this indorsement.

Q. Submitted the acts and resolution in reference to the Northeastern railroad to you? A. I do not think he submitted any acts. I do not remember what was in it, except I know it contained the correspondence with Governor Smith before he went out of office, and the appointment of the inspectors, and the resolution, I think, of the legislature, or something of that sort. I do not remember exactly what it did contain.

Q. How long after that before he had the second interview? A. I think a very few days.

Q. At what time was your fee agreed upon? A. My recollection is the fee was not agreed upon till the second or third interview. There was no mention of a fee the first time; he simply left the papers to get my opinion. I felt interested in the question because I was interested in that road and the citizens up there. I agreed to examine the question and give him my opinion. In examining the question I became so clearly convinced that the governor ought to indorse these bonds that I went up to see the governor, to know how he felt upon it, and in that conversation the governor called my attention to the second section of the act of 1874. Afterwards I told Goodnow it would have to be made a question in the courts, and then it was that the question of the fee came up.

Q. You were not employed with a fee until after the interview with Governor Colquitt? A. Nothing was said about a fee until it was determined to carry the matter into the courts. I do not know what Mr Goodnow's idea might have been. He might have thought that he could employ me before the governor.

Q. This fee was made with you with the understanding that you were to employ counsel on both sides of the case, and to make a case as to the obligation of the state to make the indorsement a friendly suit? A. Yes, sir; a friendly suit.

Q. A made case? A. A made case. I omitted one thing yesterday that I ought to have stated: that after we had got ready and the case made up, and before it came up for a hearing before Judge Rice, in order that everything might be shown to be perfectly fair and the investigation full and complete, I came to the governor and suggested to him to send the attorney-general up that he should be present to see that everything was properly done, and he did send him.

Q. You said yesterday that you agreed with Mr Goodnow that if you succeeded in your litigation you were to get that much money, and if you did not, nothing? A. My fee was dependent upon the indorsement.

Q. And your fee looked to that suit, and if favorable and you got the indorsement you were to get that. What was to be your fee if you did not get the indorsement? A. I was not to get anything.

Q. But if the court said it had no jurisdiction? A. Such a conclusion was not anticipated.

Q. You were to pay the cost out of your conditional fee? A. I did not mean the cost of the suit, but the expenses that the lawyers incurred attending the suit. I went to Athens twice and to Gainesville twice, and paid my expenses and my lawyers, and to this court here. I paid all that out of my own pocket. About this fee, it was solely because of the litigation in the courts that I took a fee in the case. My fee was not dependent upon the decision of the court, but dependent, of course, upon the indorsement of the bonds. I was not to get the fee unless the governor indorsed the bonds, even if the court had decided that the state ought to make the indorsement; and the governor, he could not be compelled, you know. Supposing the governor had refused to indorse the bonds, notwithstanding the decision of the court, I still could not get my fee. My fee was for services in court, but those services were not to be beneficial to me, unless the final result was beneficial to my client. Even if the court had decided that the state should make the indorsement, I could not get the fee, unless the governor had signed the bonds.

Q. You stated yesterday afternoon, in giving your reasons for publishing this card, that you had been informed that the article which appeared in THE CONSTITUTION some time in October, last month—I do not remember the date now—headed "A Contested Fee," you understood that that article had been prepared either by Governor Colquitt or Mr Murphy, or prepared by some one and submitted to them for their approval, and then published? A. That is my information.

Q. Give the names of the persons who informed you, if you please? A. Monday night my son came to me and said, "That whole thing is going to be in the paper to-morrow."

Q. I ask now not what they said, but simply the names? A. I got part of the information from each gentleman, but all to the same point. The gentlemen were my son, B H Hill, jr, Mr Henry W Grady and Mr James Banks. Those are the gentlemen who told me this. Neither of them made the entire statement.

Q. Do you know of your own knowledge any fact or circumstance going to show that Governor Colquitt was in any way connected with the charge made by Mr Murphy for procuring the indorsement of the bonds of the Northeastern railroad company? A. I know nothing of that but what I have stated to the committee.

Q. Do you know the name of any person whose name you have not stated to the committee, going to connect him with that transaction? A. No, sir; I believe not.

Mr Fort. Was there any agreement about who was to pay the court cost? A. No; that was not mentioned at all. If it had gone against Mr. Morris, our client, I would have had it to pay, because Mr Morris was simply an accommodation complainant.

Q. So far as your clients were concerned, if the cost had fallen upon them, you would have paid that yourself? A. Oh, yes; I would not have allowed them to pay it.

Mr. Humber. It was drawn out yesterday that there was an interview between you and Governor Colquitt, last Sunday. Was that of your own seeking, and what was the nature of the interview.

Mr Hammond objects to the latter part of the question, and Mr Humber withdraws that.

A. I wish to state very distinctly that the interview was not of my seeking or for my benefit in any manner, shape or form. Who did get up the interview I do not know, but I think it is due to Governor Colquitt that I should state that my understanding was that it was got up entirely at the instance of outside parties. If it was at his instance I do not know it. Dr Spaulding came to me on Saturpay night and desired to know if I had any objection to an interview with Mr. Tuggle as the friend of Governor Colquitt; and he was a friend of Governor Colquitt, too. And I told him I had no objection to an interview with any honorable gentleman in the world. He then asked me if I had any feeling towards Governor Colquitt. I told him none in the world; that my feeling was as kind as it possibly could be. He then went out and brought in Mr Tuggle, who had come with him, but he stated he thought he ought to ask permission first to bring him in. They talked with me until about 11 o'clock that night, and they got a full comprehension of my feelings and views on the subject. The next morning, Sunday, my son came to me and asked if I had any objection to a personal interview with Governor Colquitt. I did not state this yesterday; I make this fuller now.

Governor Colquitt As you were not present yesterday, when I testified, I will state that I did not go into the details of the conversation, because I was not authorized to do so. I stated generally what I thought was the purpose of the interview there, without going into the conversation. I was asked how it was sought, how I came to know anything about an interview, and I answered that.

Mr. Preston. I understand the question simply to be, was that interview of your seeking? You have answered that, and unless some person ask how it came about, or who got it up, I think it is not proper to go into it further.

Mr. Hill. I think it is proper I should state that when it was suggested to me on Sunday morning, I said, while I had no objections to a personal interview, I think such an interview would be unwise, and under the circumstances I would not consent to have it, except in the presence of two gentlemen.

Mr. Humber. The whole object in asking that question seems to be that the idea is abroad that the governor and Mr. Hill both tried to meet and smother up this investigation. I wanted to ask the question to settle that question. A. I had no intention of smothering anything, so far as I was concerned.

Mr. Northern. Did you say, or did these gentlemen say, that they were instructed by Governor Colquitt to ask an interview with you? A. I did not so understand it. I understood that Mr. Tuggle was acting in the matter as a friend of Governor Colquitt, and Dr. Spaulding as the friend of Governor Colquitt, too. But Tuggle specially.

Q. But not at all at his suggestion? A. They did not say—no, sir.

Mr. Hill. I want to say to the committee that I desire to correct my testimony after it is written out. It is the privilege granted to all witnesses to see that it is correctly reported. I desire to say, to avoid all possible mistakes, that I think it is due me that Governor Colquitt's statement should be read to me when written out.

W C MORRILL, SWORN:

Mr Fort. What was your contract with Mr Murphy concerning the Northeastern railway bonds? A. My contract with him was simply this: that he told me he thought he could have the bonds signed, and I knew that it was of the utmost importance to the rolling-mill that they should be. We had gone on and furnished the iron for forty miles of the road. We started with no capital, comparatively speaking, and we made our contract upon the faith of the letter of the governor of the state, which seemed to us to be in plain terms—Governor Smith, the governor at that time. And there was a copy of his letter presented to us, to make a contract by, which we declined until we saw the original letter. When we saw his letter, wherein—if I am not mistaken—I may be incorrect, because it is a matter of record and can be easily rectified if I do—wherein he stated something to the purport of this. I think he stated that he was opposed to the aid of the state to railroads generally, but if the company went on and completed the road in accordance with the law, that he had no option left but to sign the bonds, and would do so on the completion of the road. That letter was submitted to several gentlemen, and they all stated that they believed it was a straight-forward, square, honest, upright transaction, and was one which the mill could undertake and do with perfect security. That was done, the iron was furnished and the road was completed. About the time the road was completed, the president of the road, Mr A K Childs, came over here and I met him. He asked me if I was acquainted with Governor Smith. I told him I was. He said he had never met him and would be glad if I would go and introduce him, as he wanted to state to the governor that the road was completed and desired that the commissioners required by the law should be appointed to examine the road and see whether it was built in accordance with the acts and with the law. I did so—came up here and introduced Mr. Childs to the governor. Mr. Childs made his statement. Governor Smith then stated. Said he: "I do not hesitate to state that I am opposed to state aid, but if your road has been built in compliance with the law, I have no option left. I will appoint the commissioners to examine the road and see whether it is built in accordance with the law."

In a little side talk with Mr. Childs, after he came out, I said: "Certainly; I have no reason to find fault with that statement." Said he, "Nor I; not at all."

Q. Is that connected with the answer? A. It is not; but I thought it better to go into the history of the transaction, so that you might understand it better. I just simply want to bring the facts as they appear to me and as they appear to us. The only thing that I can state was that he did not sign the bonds; that after his term of office expired and the present governer came in, it was recognized that he, having left the matter, it was a more difficult matter for us to convince him that it was his duty to sign the bonds, or I believed it was. And we took the opinions of good men—leading men in this state. But coming down to that question, I will simply state that Mr. Murphy came to me and said that he thought he could get evidence to satisfy the governor that he ought to sign the bonds, and that he would do it for the sum of $15,000. That I laid before our parties, and also before the Northeastern railroad company. The company declined taking any action in the matter. That went on and the bonds were not signed and the thing dropped there for a month or two and the rolling-mill was in a very precarious condition. It took the matter up where Mr. Scofield, who had broken down, had left it, without any capital, money or means to go on, and endeavored to uphold it. The contract was a very large one for them to fulfill without immediate payment. In the meantime, during the process of the making of this iron, I had exerted myself to the best of my ability in procuring money to pay the men, and to pay the current expenses of the mill, which were very large. Three hundred and eighty-five men are a pretty considerable pay-roll. I had been to nearly every bank in this town, and also to the bank in Athens. I had borrowed money on the faith of this letter of Governor Smith's. I had used my personal influence to procure money to pay our expenses during the interim while we were making this iron. So that nearly every bank in this town had lent us money. The bank in Athens had $40,000; the Citizens' bank $35,000, and the Atlanta National bank a certain amount, and so on. And the delay in signing the bonds caused a great deal of apprehension. Well, I felt morally bound to use every possible influence I had to secure the indorsement of these bonds. While we had offered the security in good faith, without it the mill was irretrievably broken, and many persons who had lent money seriously injured.

Mr. Murphy told me several times that he felt satisfied that he could get evidence to satisfy the governor on this question, but at the same time I was very doubtful about it after the evidence had been put in. And I went so far as to see the N E R R Co, to know if they would bear the proportion of the expense. They declined to do so. It then came down to a mere matter of my mind whether the rolling-mill would break down, and whether the banks who had advanced this money on my personal application would lose that money, or whether they would not. They began to be very much worried. They were very much cramped. The fact that they had lent on this letter, the treasurer of the N E R R had become afraid that the bonds would not be signed; and in that respect they declined to lend the mill any more money at all to go on with. Mr Murphy convinced me in broad language——

Mr Preston. Give that language. A. It is varied—comprises twenty or thirty interviews; that he had certain facts that he could present to the governor that he thought would influence him.

Well, his first proposition was $15,000. I told him it was impossible for the mill to do that, the bonds not being signed at the time. We thought they were to be; that we had borrowed money at a high rate of interest and had cost us an enormous amount of money and we had nothing to go on, and whatever it had cost it was certain to come out of the pockets of somebody; that is the mill owed so much we could not take anything out of the mill. Yet it was imperative that the bonds should be signed.

The result of it, in a very few words, was that I made a contract with Mr Murphy, as he stated himself, as an attorney, that if he would procure these bonds to be signed, I would pay him $8,000. I can simply state, in short language, that the bonds were signed and the money was paid.

Mr Preston. I will ask you if Mr Murphy stated to you, in order to induce you to enter into this contract with him, what facts those were that enabled him to know that he could get the governor to sign those bonds? A. No, sir; Mr Murphy never stated to me that. But I will state, this was after the agreement was made; there was a written contract made between Mr S B Hoyt, who was one of the directors of the mill, and myself. In order to explain my language and to make you thoroughly comprehend it, so there will be no misunderstanding about the matter, I will state that the rolling-mill had, at the suggestion of the president of the N E railroad, who stated that certain parties had commenced suit against the road, and if those suits went to judgment it would be a judgment in preference to the debt that they owed us, which was altogether the largest, and ought to have an equal showing with other debts. Upon his statement we made a supplementary contract. We were to commence suit ourselves, so that no other parties should have any preference of judgment over us; that we should all go in alike, and that I employed as our attorneys in the matter Messrs. Cobb & Irwin, of Athens. And they commenced suit in the name of the Rolling Mill Company for the amount that they owed us as well as other suits, and the judgment term of that suit was very near at hand. I am very frank to acknowledge that I was very much frightened, indeed. Well, I tried every effort, and was trying every effort to get the Air-Line to take charge of it and buy it, and to pay our claim; also, the Georgia railroad. Yet the fact nevertheless remained that the road was about to be sold out. So I employed Mr Murphy at the sum named, he thinking that he could get evidence. After we made a contract, and made it in writing, and the time specified was ten days, in the contract, Mr Murphy, about four or five, or three or four days, I cannot state exactly which, because the thing has gone absolutely from my mind as to dates, he came to me and said it would be impossible for him to complete his contract within the ten days, and asked that a supplementary contract be made whereby he should have twenty days, to which I agreed, stating that the main object that I had was to have the order passed to have the bonds signed in order to prevent the mill from breaking down. That original contract was torn up when the supplementary was made. That contract was dated on the 10th day of January.

Mr Preston. Had you not spoken to Mr Hill at the time Mr Murphy approached you? Did you not employ Mr Hill? A. Mr Hill was employed by Mr Goodnow. I cannot tell you exactly what time, because it was not done by me. Though I was president of the mill, the general manager had control of matters and was running the mill. My connection as president did not have anything to do with the general management, nor much in regard to the finances, but more particularly to keep up the organization. Mr Hill was employed, as I understood from Mr Goodnow, to try to procure the indorsement of these bonds.

Q. Had you not as much confidence in the skill and ability of Mr Hill, as a lawyer, as in Mr Murphy? A. Certainly we had; no doubt about that.

Q. Then why were you induced to change your attorneys, and why were you induced to take Mr Murphy instead of Mr Hill? A. Simply because Mr Hill had failed to get the bonds signed within the time agreed upon.

Q. Did you communicate with Mr Hill on the subject before you entertained the conversation with Mr. Murphy? State what superior inducement Mr Murphy offered you over those facts you supposed to be in the possession of Mr. Hill that caused you take Mr Murphy instead of Mr Hill A. Simply the fact that the bonds were not signed.

Q. What reason had you to believe that Mr Murphy could accomplish that sooner than Mr Hill? A. Mr Murphy satisfied my mind.

Q. We want to know how he satisfied you. We want to know those facts. We want to know what Mr Murphy said to you in plain English, or you said? A. I do not know that I can recollect all the conversations that took place ten months ago. I will state in general terms that Mr Murphy stated to me he was satisfied he could get the bonds signed.

Q. Were you not reluctant to accept his statement till you asked him why he was satisfild? A. I never asked him that, only he told me that he was satisfied he could satisfy the mind of the governor in regard to these bonds, and he could get them signed as he could get up evidence to convince him.

Q. Did you not ask him what reasons he had for his statement that he could get them signed, and did he not give you privately these reasons? A. No, sir; I never asked him that question.

Q. Did he present any papers to you? A. Mr Murphy came to me after our contract was signed. He stated to me in the meantime a great many things in regard to it. I think Mr Murphy remarked strongly, in regard to his fee, that he was satisfied that I could not get the bonds signed unless I employed him. I will not say that he said those words, but he left that impression upon my mind, and for that reason I employed him.

Q. I want to ask if you did not know pretty well what his reasons were for stating that he could get them signed? A. I never knew. I did not ask him. The simple fact I was after was for getting the bonds. But I will say this, that Mr Murphy did come to me one day, some few days after the contract, I do not know how many; he did bring a paper to me; I glanced over it but did not read it very carefully, but the sum and substance of it was that "we, the undersigned, etc., having been members of the legislature when this act was passed, the act repealing the act of state aid, and also when this resolution was passed exempting this road from the operations of the act, repealing the act granting state aid," etc. And he showed me a letter, but I am not certain, I may be mistaken, but I think Bacon, speaker of the house, and Trammell, I think, president of the senate, were signed to it. The letter was directed to the governor, stating in substance that they were present, and they were satisfied the meaning and intent of the legislatnre was that these bonds should be indorsed by the state, and Mr Murphy said to me at that time, "I feel sure I have got him now."

Mr Preston—Were you induced by that paper, signed by those members, to make the contract with Mr Murphy? A. No, sir; that contract was made prior to this time.

Q. Now, then, that is one thing that induced you to enter into this contract and take Mr Murphy instead of Mr Hill. What other reason had you? A. Will you allow me to make a statement? All I know about the contract with Mr Hill was, we never had any conversation about that. It was done with the general manager. He told me he had made an arrangement with Mr Hill, whereby if Mr Hill should start and procure the indorsement of these bonds, a certain fee was to be paid, and he was also to commence an action in the courts. I am not a legal gentleman, do not understand legal technicalities, but I had understood that there was a clause in the act that allowed somebody to present objections to the signing of the bonds, to present a bill which was done, and he had it brought up in court. Mr Hill argued that case, I presume, in the superior court, and it was then brought to the supreme court. Mr Hill also argued it there. The general manager at the time told me that there was a specific time wherein these bonds should be indorsed under Mr Hill's contract. But this matter I know nothing about.

Mr Preston—You were induced by that paper signed by the members of the legislature, or that was one of the inducements to make the contract? A. No, sir; the contract was before that.

Q. I will ask you, Mr. Morrill, if Mr. Murphy said anything to you about using money in getting these bonds signed? A. I do not know exactly what you mean by that.

Q. Did he induce you, by anything he said or intimated, that if you were to pay this large sum that he could use that on Governor Colquitt, or somebody to be used by him to influence Governor Colquitt to sign these bonds? A. No, sir; he never did state that. Mr. Murphy led me to believe that he had somebody interested with him, but who it was he never stated, and who it was he never referred to.

Q. Do you know of yonr own knowledge, or from having heard Mr. Murphy say it, that Governor Colquitt had anything to do with the transaction between you and him in reference to the signing of these bonds? Ans. Not the slightest.

Q. So far as you know of your own knowledge and so far as you obtained it from him, Governor Colquitt had no knowledge of this transaction between you and Mr. Murphy? A. No, sir; he never alluded to Governor Colquitt in any way, shape or manner. Mr. Murphy led me to believe that he had some strong friends at court, but so far as alluding to Governor Colquitt he never did in any way, shape, or manner.

Mr. Hill. I will ask Mr Morrill to state what passed between you and Mr Murphy when you made the payment, when you met him at four o'clock on Sunday afternoon out at your house, and then say whether you reported it to me correctly or not. If necessary I can lead and ask you if you said certain things, but I am willing for you to state first what you did state.

Mr. Hall. Senator Hill says in February this year he had an interview with you at the house of Mr Goodnow and in the presence of Mr Goodnow, and that in that interview you said to him that you had to agree to pay Mr Murphy $8,000 in order to secure the indorsement of the bonds of the N E R R Co, and that Mr Murphy said to you, you could not get the indorsement till you employed him and gave him that fee; that there was an old man interested in it, who had a big office, and was as poor as Job's turkey; that he did not expect to hold the office any more, and wanted to make all he could out of it. A. Mr Murphy made some such remark as that to me, but it was not at that time. Mr Murphy came up to me Sunday at four o'clock.

Mr. Hall. Did you report that to Mr Hill? A. Not in relation to the conversation that occurred on Sunday afternoon. I will tell you what did pass On Saturday I met Mr Murphy, and of course I cannot recollect the dates, and this matter came up for consultation, and I told him I was very busy and would he come to my house Sunday afternoon at four o'clock, which he did. Mr Murphy did state to me during that conversation, "I know what you think—you think that I know that Colquitt will sign those bonds, and that I am here to make this money out of you, knowing that fact." I replied to Mr. Murphy, "I am very frank to acknowledge that I did sort o' think that." He said to me, "It is not true." But prior to that he did make some such statement in broad language, but without referring to anybody. That I reported to Mr. Hill.

Mr. Cox: You say that he did make the statement you reported to Mr. Hill? What statement did you report to Mr Hill? A. That there were certain persons here that were poor, and so-on-so.

Mr. Cox. Well, just tell the etceteras and so on's. A. I do not know that I can.

Q. Did he refer to "the old man?" A. No, sir.

Q. Did he refer to somebody holding a high office? A. He did.

Q. Did he say anything about his being poor? A. No, sir.

Mr. Preston. You said just now that he did say "poor man." A. I do not want to state the language in any way different from what it was stated to me, in any way, shape or manner. He may have said "poor man." I do not want to state that on oath, because I do not absolutely recollect. I am afraid that I may state something that is wrong, because every gentleman will recollect that a conversation that passed out of your mind a year ago is a very indefinite thing.

Q. Does it not recur to your mind now, Mr. Morrill? Don't you have some recollections of that expression? A. He did not use it at that time.

Q. When and where was that used? A. After the bonds were signed and the bonds were delivered, as I understand. On the very day that the bonds were delivered, Mr Murphy came to me about 12 o'clock and said that he wanted the money that I agreed to pay him. I said to him, "Murphy, I think you are in a devil of a hurry," or words to that effect. Ford had not seen the bonds. "Well," said he, "the old man is going away and needs the money." My reply to him was this, "I don't care a damn about your old man. I haven't seen the bonds. They are due, and when paid to us I will pay you the money that I agreed to. And," said I, "if you will come down at 3 o'clock you shall have the money. And in a short time after that the attorneys and railroad men came in and we had a settlement. They had, say $150,000. I paid the money to one of the directors of the rolling mill, Mr S B Hoyt, and what he did with the money I do not know.

Q. How much did you pay him? A. $8,000.

Q. What did you give that $8,000 for? A. The indorsement of the bonds, the same as I would have given Mr Hill or anybody else if he had procured them. We were just in this condition—that of bankruptcy. We had 350 men at work, and had procured $100,000 from the banks upon my representation of the faith of the state, and there was no option.

Mr. Preston. Didn't you have some knowledge, or some impression, it makes no difference how you got it, that there was an old man connected with this matter and who was to get some of this money? A. I recognize the fact that the impression was made on my mind that somebody was to get it.

Q. Did you ever know, up to the time you paid this money, who that old man was? A. No, sir; after this contract was made I just said, "Very well Mr. Murphy, I close the contract on that proposition." The original proposition was $15,000, but he came down to eight, and Mr Murphy said to me he wanted it in writing and I kicked up at it. I remarked to him that I thought my word was good for $8,000, at least I felt it was; when he said that so far as he was concerned it was, but that there were other parties interested with whom it would not be so good.

Q. Did he tell you who those parties were? A. No, sir; he did not, nor did I ask him.

Q. When you got the bonds signed you must have felt gratified and doubtless had a conversation with Mr Murphy. Have you ever found out what he did, and how he got them signed? A. No, sir; I have not,—I never asked him. The question with me was to get the bonds.

Mr Cox. Did you go into Mr Murphy's room and see him engaged signing those bonds? A. I never did.

Q. Did you go into the treasurer's room? A. Never about signing the bonds; I never saw one of the bonds in my life up to that time except a copy of one of them.

Q. Shortly after the contract with Mr Murphy, did you go into the treasurer's room and see the governor and Mr Murphy together in there? A. I have been there a good many times and seen them together. I have seen the governor and Mr Murphy often in close conversation.

Q. Did you say it had anything to do with the signing of these bonds? A. I may have said so; I do not know what made me have that impression.

Q. Anything occur that made you think the governor did anything improper? A. Not the slightest.

Governor Colquitt. When he used the expression, "old man," was that after the signing of the bonds? A. Yes, sir.

Q. At any other time? A. At another time wherein he remarked, "I think I have got him now." I could not help thinking that that word referred to the governor.

Q. What did he mean by "got him now?" A. That he had got the evidence, I suppose, necessary to induce him to sign the bonds.

Mr Hall. Mr Hill stated that you said to him, in the same interview, that you walked into the treasurer's office, and you found Governor Colquitt and Mr Murphy in very close conversation; and that they seemed very much confused when you walked in, and you turned and walked out and that you stated that you thought they were engaged then in signing the bonds? A. The only time I ever had reference to that was before the contract was made. I am certain about that, and if I stated it differently to Mr Hill I must have misled him and misled my own mind.

Q. Are you frequently about the treasurer's office? A. At least once a month, and sometimes oftener.

Q. You have seen the governor there? A. Frequently seen him there.

Q. Holding interviews with the treasurer and clerk? A. I presume I have been Governor Colquitt three or four times in the treasurer's office.

Q. Don't you go there oftener than once a month? A. Sometimes oftener; sometimes only once a month. Mr. Renfroe and myself are both members of an organization here—the North Georgia Stock and fair association, and I have frequently been there lately consulting with him.

Q. Does a week ever pass that you are in the city, that you are not there once or twice, or oftener? A. I presume there is, but I go there quite often, since the organization of the North Georgia Stock and Fair association in May last.

Mr. Hill. Do you remember the interview that took place between you and Mr Goodnow and myself, at Mr Goodnow's house, about the 12th or 13th of February last, at night? A. I recollect the night of the interview, but do not recollect the date.

Q. You remember that we sent over to your house after you to come over? A. Yes, sir.

Q. And when you came over I explained what the object was. I went into all the facts as to this payment; that I asked you then to state the facts. Do you remember that? A. Yes, sir.

Q. State them fully and correctly, which you agreed to do. Do you remember all that? A. Yes, sir.

Q. In that conversation, did you not tell me that Mr Murphy come to you, about the last of September or first of October, several months before, and propose to get this indorsement? A. I think it was the last of September.

Q. Two or three months before, and that he told you nobody could get it but himself? A. He stated that he did not think anybody could get them bonds but himself.

Q. Did you state that he then asked $15,000? A. That was the first demand.

Q. And that you told him you could not give that and the matter dropped, and that he came to you several times and finally fell to $10,000? A. He did not come to me several times. Mr Murphy came to me. I suspect it must have been two months afterwards, and stated that he could get these bonds signed for $10,000.

Q. Didn't you report him each time and frequently as saying that nobody could get the indorsement but himself? A. That is what I stated, for such was the impression made on my mind.

Q. And you so stated to me? A. Yes, sir.

Q. In this same conversation, did not you say "Come to see me at my house at four o'clock?" A. I stated that.

Q. In that conversation at four o'clock Sunday afternoon, did you not tell me in this interview, in the presence of Mr Goonow, to which I have alluded, that while you were hesitating and showing indisposition to pay this money, Mr Murphy used this language: "Morrill, I know just what you are thinking; you are thinking I have found out the governor is going to indorse these bonds anyhow and that I am taking advantage of it to run ahead and make this money." A. I stated that. I have already stated that to the committee.

Q. And didn't he add, "Now, I will be damned if that is so?" A. I do not know whether he said it in exactly that language.

Q. Did not he "that is not so?" A. I will say this: that he said it was not so, but I may have told it in that way.

Q. Did not he say that he added, "Now, you may try as long as you please; you will never get this indorsement unless you agree to pay this money?" A. I do not hardly think that I did say that.

Q. Did not you so report it to me? A. I do not so recollect it. If I did, whatever I said then, I told you the truth.

Q. You told me the truth? A. It was.

Q. When it was fresh in your mind, did not you report to me that he told you that you could not get the indorsement unless you agreed to pay that money? A. I declare I cannot say that my memory is clear that he did say that.

Q. Didn't you report it to me that he did represent it to you that you could not get the indorsement unless you paid that money, and that you offered him $5,000? A. If he did not say those words, he certainly left the impression upon my mind.

Q. Didn't he add, "There is an old man up there got a damned big office which he never expects to get again; he is as poor as Job's turkey, or as poor as a church mouse, and going to make all the money he can out of that office? A. Not at that conversation.

Q. Did you ever so report it to me? A. Something of that kind.

Q. Did he ever say it? A. In words to that effect; I think he came pretty near it.

Q. Do you say you did not make that impression upon my mind at Mr. Goodnow's. A. I cannot recollect that. If you say so, it is likely so.

Q. Didn't he use that language? A. That was the impression; because, Mr. Hill, I may have stated to you things that I implied that he did not say.

Q. Did not I tell you, when I came to that, to be careful, and give me the exact language. Don't you remember that I said that to you, and that you thought a good deal, to refresh your memory, and changed language once or twice, and finally fixed it? Don't you remember that? A. Not exactly that, but still I say that that was about the sum and substance of what he said to me at one time.

Q. When did he state that to you? A. It was some time before.

Q. Before you made the agreement? A. Yes, sir.

Q. He stated to you in effect that there was an old man up yonder got a damned big office which he never expects to get again? A. He did not use that word "damned"—I do not think he did.

Q. And he is as poor as Job's turkey, or church mouse, which was it? A. I think as poor as Job's turkey.

Q. And going to make all the money he can while he has got it. You say Mr Murphy did use that language to you, and you reported it to me? A. In substance; that is the impression left upon my mind.

Q. You admit that you reported that to me? A. I presume I did; I cannot recollect, because the conversation occurred a long time ago.

Q. This remark of Mr Murphy's about the old man having a big office was made before you agreed to pay the money? A. Yes, sir.

Q. Didn't you report to me also that after Mr Murphy made that remark, you felt that you were in a very close place—that you were obliged to pay that money or not get the indorsement? A. I felt that way all along.

Q. Didn't you say this: that after you agreed to pay the eight thousand dollars, Mr Murphy said, "I want it in writing?" A. Yes, sir; I stated that to the committee.

Q. Mr Murphy says, "I want it in writtng." Didn't you say, "Why, hell! you want such a thing as this in writing?" A. I asked him if he could not take my word.

Q. Didn't you express astonishment that he wanted such a thing in writing? A. I do not know that I did. But I did feel sort of humiliated that a man would not take my word for $8,000.

Q. Didn,t you say, "Why, hell; do you want such a thing as this in writing?" A. I do not know that I did.

Q. Didn't you report it to me, that it was improper to put such a thing in writing? A. Well, I think I mean to say that I was very much surprised when Mr Murphy asked me for a writing. No doubt I expressed astonishment for it. I have no question that I did, because I felt very much humiliated that my word was not good for $8,000.

Q. Did you express that astonishment that he should demand it in writing, and not take your word? Did not he say to you that he would trust you? A. Yes, sir.

Q. That there were other parties interested who wanted to be satisfied, and he wanted the writing to show to them? A. Yes, sir; that is the substance of it. He did state that absolutely.

Q. And you reported all this in that conversation to me? A. I presume I did.

Q. Your intention at Mr Goodnow's was to give me all these facts? A. Yes, sir, to give you all the facts, the same as I give them to the committee.

Q. Didn't you say to me then that, either the next day, or two days after you did not remember which, you were very careful in remembering whether it was the next day, or the day after, that he had agreed to pay the money; that you came into the treasurer's office, and you saw Mr Murphy and Governor Colquitt in close conversation, and that they appeared confused when they saw you, and you made some excuse and walked out? A. If I made that impression upon your mind it is not right. If I did I misled you.

Q. Didn't you tell me that you had reason to believe that they commenced indorsing the bonds within twenty-four or forty-eight hours after you paid the money? A. The original contract with Mr Murphy was for ten days. He afterwards came to me and said he could not get up such evidence as he desired within ten days.

Q. Did not you report to me that he said there were too many coupons to be signed, but that the bonds should be delivered as soon as they were signed? A. I am sure you misunderstood me there. The contract did not specify that the bonds should be delivered within twenty days, but the governor would pass the order for the indorsement within twenty days.

Q. Were not the bonds to be delivered as soon as they were indorsed? A. That is a matter of record. I do not recollect.

Q. Did not you tell me one reason Mr Murphy gave for the enlargement of the contract was the number of coupons to be signed and the work to be done? A. If I did, I do not know why I did, because the contract expressly stated how, and where, and why and when the bonds were to be delivered. The contract states not that the bonds are to be delivered, but that the governor would pass his order, and then the money should be paid in a reasonable time.

Q. Didn't you state to me there that some time afterwards—you did not give the date, but it turns out to be on the 23d of January—that Mr Murphy came to your office in advance of any knowledge on your part that the bonds had been indorsed, and demanded the money, which you called "swag" and he called "money," about 12 o'clock, and demanded the money, and that you protested that he was in a devil of a hurry; that you did not know whether the bonds had been indorsed, and that he ought to give you time to smell the bonds? Was not some such expression as that used? A. I stated that Mr Murphy came down to the office about 12 o'clock. I was waiting for a settlement with the officers of the railway company. They were all here about 12 o'clock. They came to the executive office to receive the bonds. He came down about 12 o'clock. I am certain it was about that time, and stated that he wanted the money, for the bonds had been signed and delivered.

Q. He stated then, and you so reported to me, that the reason why he was in such a hurry was that the old man was going off to-night, and is obliged to have some money before he goes? A. I did state that, and I replied this——

Q. You now admit that Mr. Murphy used "the old man" twice on that occasion and on the previous occasion, when the old man holding a big office was mentioned? A. No, sir: I did not say that.

Q. How did you report it to me? A. I reported it to you like this, that Mr. Murphy stated that there was a person holding a high office, and that he was poor, and so on and so fourth; but I did not say "the old man." There you are getting the words mixed up. But the only time he ever used "the old man" to me was the time I specified, according to the best of my recollection and belief.

Q. You change the expression, that there was a person holding a high office, which he never expected to get again, that he was poor as Job's turkey. That expression was made when? You say not in the Sunday evening conversation? A. No, sir; if I said so, I misled you.

Q. How long previous to that conversation? A. It must have been a month, I reckon.

Q. Did you not understand that as used for the purpose of convincing you that nobody could get the indorsement but him? A. I am frank to acknowledge that Mr Murphy made that impression upon my mind. Of course the very best evidence is that I agreed to pay the money. What evidence he took I do not know.

Q. You paid the money upon the conviction that nobody could get the indorsement but him, and that he could not get the indorsement at all, unless you paid that? A. That was the impression.

Q. Did you employ Mr Murphy because of his legal ability as a lawyer? A. It is but just to Mr Murphy that I say that he stated every time that he was an attorney.

Q. Did you not say to me in the second conversation that I had with you, when you brought me the writings—you remember you brought me the writings at my office? A. Yes, sir; you sent for it.

Q. It was between the first of August and the 24th of September that I sent for the writing. Do you remember that I asked you in that conversation, did you employ Mr Murphy because of his legal service? And did you not say, "Hell, no; I would not give him eight cents for his legal services. I employed him because I could not get the indorsement otherwise?" A. I do not recollect that conversation. Where was that?

Q. Down at my office. Don't you remember that conversation in my office at that time? A. I do not recollect that, I am sure. I recollect that I said to you at that time—said I. "Mr. Hill, this matter is going into the courts, and if that is so, I decline to have anything more to say about it, unless I am called upon to testify. You recollect I said that.

Q. Not exactly that. A. Well, about that. I said "this matter is coming before the courts, I understand, and I did not wish to say anything until I am called upon to testify."

Q. You remarked, when I asked you if Mr Murphy gave you any reason why he could get the bonds when no one else could, you said he gave none? A. That is true.

Q. I said, "Did you employ him because of his legal ability?" and you said, "Hell, no! I would not give eight cents for his legal ability." A. I do not recollect that.

Q. Then at Goodnow's I said this thing is coming before the court, and you said you would tell the whole truth then. A. Of course I said that.

Q. I ask you this question: the statements you made to me at Goodnow's, if they were not correct? A. I intended them to be true. I may have misled you in giving you my impressions, which you have taken for facts. I may have stated something at Mr Goodnow's that was an impression instead of a fact, because the conversation occurred a year ago.

Q. Did I not caution you to tell me exactly what occurred? A. Yes, sir.

Adjourned to 7 p. m.

Committee re-assembled at 7 p. m: quorum present.

Examination of W C Morrill continued.

Mr. Glenn. Mr Morrill, did you have any intention of bribing the governor through Mr Murphy, when you made that contract with Mr Murphy, or when you paid Mr Murphy the money? A. No, sir.

Q. Did you have any suspicion or idea of any kind that the governor was to receive any part of that money from Mr Murphy, either at the time you made the contract, or when you paid the money, or at any other time during the progress of it? A. I could not suspect anything of that kind.

Q. You did not, then? A. No, sir; I think the question is almost absurd; I am surprised.

Mr. Glenn. You are not the judge of that, Mr. Morrill.

Mr. Hill. Mr Morrill has no counsel, and I suggest that he ought not to be asked anything that would criminate him.

Mr. Glenn. I will ask you why you were surprised that I should ask that question.

After some discussion by members of the committee, witness says: "I turn upon my native element, and ask Mr Glenn a question—does he think I would steal?"

Mr. Glenn. Mr Morrill, I will ask you this: Were you not surprised because of Governor Colquitt's character, that anybody would ask if anybody would bribe him? A. I did not suppose that a governor of Georgia was ever to be bribed.

Q. What did you understand that Mr Murphy ment when he told you there was a person high in office and poor as a turkey that needed money? A. Well, sir, I did not pay much attention to it. I do not know that I can give my impressions about it, because I had none upon me.

Q. Made no impression upon you? A. No, sir; not upon my actions.

Q. Did not influence your conduct? A. No, sir; that did not. That occurred about a month before my contract was made with him; about a month.

Q. At the time you made the contract, did these previous remarks about a man high in office, poor, etc., have any influence upon you in making the contract? A. I cannot say that it did. My contract was upon the ground that Mr Murphy could get the bonds indorsed, and I was willing to pay the money to get them indorsed.

Q. The question is, did these previous sayings of his have any influence upon you in making that contract. A. I cannot say that they did.

Q. Were you deceived or misled by those things that Mr Murphy stated to you; did you take any steps in consequence of them? A. I acknowledge this, that Mr Murphy stated to me that he had evidence that would secure the indorsement of the bonds.

Q. I mean when he told you there was a person high in office, a big office and poor, did that have any influence? A. No, sir; when I made the contract that never entered into my mind.

Q. When he did say it to you, whom did you think he alluded to? A. I do not know that I thought anybody. My thoughts are not evidence, you know. I did not think anything about it, and did not care anything about it. I thought probably it was an evidence, if I thought anything about it at all, that Mr Murphy wanted to convince me perhaps that he had influence or evidence, or whatever you may call it, to get the bonds indorsed. I never thought much about it.

Q. Did you have any idea then that he was alluding to Governor Colquitt? A. No, sir; I did not.

Q. About a month after that you say you made the contract. Was anything said at the time you made the contract about the old man with the office and poor as a mouse? A. No, sir; not when I made the contract.

Q. When was the only time during these negotiations that you thought Mr. Murphy alluded to the governor? A. I never said that I thought he alluded to the governor at all except once. The only time was, as I stated to the committee this forenoon, I believe, when he brought me a paper signed by several gentlemen connected with the legislature. I cannot recollect all their names—Mr Bacon and others. Mr Trammell was one: and I am certain, almost certain, that Mr Pierce was one, from Hancock. I simply recollect them because these I know; others I did not know. When he did remark that he had got him—got him now, or something like that. That is the sum and substance.

Q. How did you understand that he had got him? A. I thought that he meant that he had some evidence that was absolutely convincing to the governor's mind. That is the only time that I did think that he meant the governor absolutely then, because the governor was the one who had to indorse the bonds.

Q. When did he ever allude to the governor indirectly? A. I didn't say that he ever alluded to the governor indirectly, except as has been stated.

Q. Did you ever, except on that occasion, think that he was alluding to the governor when he was talking to you about other people? A. Mr Glenn, it seems to me that question is absurd. Now, to talk frankly to you, you have either got to admit that I am a damned rascal or it is a question you ought not to ask. You certainly ought know me well enough to know that you ought not to ask that question.

Q. I asked him if he thought Mr Murphy alluded to the governor upon any occasion during these negotiations. He said he did directly once. Now, I ask if he thought that he alluded to the governor upon any other occasion indirectly? A. Certainly the question seems as though you inferred—

Mr Glenn. I want this evidence to go down. A. I want to tell the truth, Mr Glenn, without any ins and outs, and certainly I am here, entirely alone, without any counsel.

Mr Fort objected to the question on the ground that Mr. Morrill's, the witness, inference from an indirect allusion was not evidence. He could state the words of Mr Murphy and it was for the committee to draw the inference as to whom he alluded directly or indirectly.

The objection was sustained after argument by a vote of 6 to 4.

Mr Glenn. Mr Morrill, when was this contract for Mr Hill's fee made? Do you know? A. I cannot tell you the exact time.

Q. Were you not president of the rolling-mill company at that time? A. I was, sir.

Q. What position did Mr Goodnow have? A. He was the general manager of that mill.

Q. I will ask you if the contract with Mr Hill made by Mr Goodnow was not kept secret from the authorities of the rolling-mill company for some time after it was made? A. I do not know that I can answer you that question. I think it was some time after the contract was made that he mentioned it to me.

Q. I mean now before it was mentioned to the board of directors before the authorities of the mill knew it? A. I do not know, sir, that I can really answer that question. It never came up absolutely before the board of directors at all. Mr Goodnow, as general manager, was empowered to make certain contracts to an amount not exceeding—I won't say exactly—I will say in round numbers about $500. But all other contracts made over and above that amount—I may not be absolutely correct in the amount—were to be submitted to the president and approved by him in writing.

Q. Was this submitted to you and approved by you in writing? A. No, sir; it never was.

Q. Did Mr Goodnow have authority to make this contract with Mr Hill? A. Well, sir, in broad language, I would say no, not without any authority.

Q. And he did not have your authority? A. No, sir. At the same time I am frank to confess that if Mr Hill had accomplished the object for which the contract was made, I have no question but that the company would have compensated him.

Q. I did not ask you that, Mr Morrill. A. I know you did not, but I want to qualify the whole thing so as to get the whole thing out, though the contract was not made legally.

Q. For what purpose was Mr Hill employed? A. To use his influence and legal knowledge to secure the indorsement of the bonds.

Q. What influence? A. Why, it was to influence the governor, of course. He was the only man to be influenced. But I do not want you to understand by that, Mr Glenn, that it was meant either in Mr Hill or in Mr Murphy any improper influence, because you can construe things a great many ways. In other words, I took it for granted he was to show him it was his duty.

Q. Why did you think Mr Hill had influence with the governor? A. I presume Mr Hill is pretty well known as an attorney, a man of ability, perhaps. I would not say here what I would say if he was not present.

Q. Why did you think Mr Hill had influence with the governor? A. Well, sir, I did not make the contract with Mr Hill, but I have no question, but my opinion is, Mr Glenn, that Mr Hill was a man of very large legal attainments, and could satisfy the governor that it was his duty that he had no option.

Q. Did you think he had any other influence over the governor? A. Well, sir, I cannot say that he had. I knew he was very intimate with him.

Q. Intimate as a friend? A. Intimate as a friend and a relative, and I presume the governor would listen to him very carefully. Still, that is my opinion, Mr Glenn. I do not put that down but as speaking my own mind, without it being evidence.

Q. Mr Morrill, when did Mr Hill, so far as you know, become acquainted with the facts about Mr Murphy's receiving this fee from the rolling-mill? A. The first I knew about it was the night he sent for me to meet him at Mr Goodnow's.

Q. That was in February? A. I think so, February; I won't say positively.

Q. Last spring? A. Yes, sir; I am sure of that almost.

Q. Did you see Mr Hill any more about the fee after that interview? A. The only time I ever had any talk with Mr Hill about it was in September, I think it was.

Q. What took place then? A. Mr Hill came to my office to see the contract.

Q. Which contract? A. That I had made with Mr Murphy; said he wanted to see that contract. I told him I did not have it; it was filed among my private papers in the vaults of the bank; that I would get it and show it to him. I neglected to do so for a day or so. I do not know why; something called my attention and I had forgotten it, when he sent down for me and I told him I would bring it down to his office, which I did. We read it and I said that I was very much annoyed about the position this thing was taking. Mr Hill told me if the mill would pay him $5,000 he would stop the whole thing—all the proceedings. I told him that the mill was absolutely not able to do it, that we had all we could do in the present depressed condition of the iron business to meet our obligations—in fact more than we could do, and it was a struggle between life and death.

Q. Yes, sir. Well, now, Mr Morrill, in September, at that interview, had Mr Hill been talking about Mr Murphy's conduct. A. Well, sir, that I do not know. Mr Hill never talked with me about it.

Q. Had it sort o' got out a little about Mr Murphy's getting the fee? A. I do not suppose anybody denied that he did. I am sure I never did. Well, I am not in the habit of talking about my business matters.

Q. You said it annoyed you. What was it annoyed you? A. Why, Mr Hill's position. He took the position that Mr Murphy had no right to the fee.

Q. And Mr Hill said to you, if the mill would pay him $5,000 he would stop the proceedings. A. Stop the proceedings.

Q. What proceedings? A. He said he was going to start proceedings in the court.

Q. What else? A. That is all. I told him the mill could not do it; that the mill had as much as it could do now. While my pecuniary interests were not in it, it was a thing I took pride in—it supported 325 men.

Q. Are yon not a director in the rolling-mill now? A. I am, sir.

Q. Does the rolling-mill recognize Mr Hill's fee? A. They claim they do not owe Mr Hill anything.

Q. Are not they defending the case? A. They are. They claim this. I am not cognizant of the facts——

The chairman interrupts, owing to the irrelevancy of the evidence.

Mr Glenn. Mr Morrill, haven't you stated to Mr Renfroe and Governor Colquitt, and various other gentlemen, several other gentlemen at least, that you had all this negotiation between Murphy and yourself; that Murphy never, directly or indirectly, in any way, alluded to the governor? A. I stated to Governor Colquitt, and presume I have stated to Mr Renfroe, that Mr Murphy never alluded to Governor Colquitt in any way, shape or manner, except that time when he showed me the paper. And when I stated that to them, I presume I had forgot that, and stated it in broader language than I had intended to.

Q. Mr Morrill, haven't you expressed satisfaction with Mr Murphy's work, stating that you employed him to do certain work to procure this indorsement, that he has done it, and you have paid him? A. Never made any complaint, Mr Glenn.

Q. Are you satisfied with it? A. Perfectly.

Q. Wasn't your first contract with Mr Murphy made about the 4th or 5th of January? A. I cannot tell you the date.

Q. The first contract was made, and in about five days another, which was to give him twenty days? A. That was the first contract. Yes, sir.

Q. And about five days after you had [illegible] it, did Mr Murphy come to [illegible] impossible to do the work in that time, and asked you to extend the time twenty days? A. My impression is it was about three or four days. I won't say that positively, because my memory may be at fault, and have no data to go upon.

Q. Four or five days after the first contract was made? A. Yes, sir.

Q. He told you he could not do the work in ten days? A. Yes, sir; he did.

Q. And you extended it, which made twenty-four or twenty-five days in all? A. From the first time. Yes, sir.

Q. Wasn't the work that he was to bring or to do to influence the governor? A. I presume, of course, that was the fact, though I have no knowledge.

Q. Was there anything said by him about there being so many coupons that they could not be signed in that time? A. I have no recollection of that. If he ever alluded to the coupons I do not recollect it at all.

Q. The work you understood was the influences he was to bring upon the governor? Didn't Mr Murphy tell you he had to go to different parts of the state? A. Yes, sir; he did.

Q. In order to get certain papers and influences upon the governor, and was that not one of the reasons he could not do the work in ten days? A. I have no doubt that was one of the reasons—that he had to be absent from the town. I could not say that he absolutely stated that he wanted to go to see other men, but stated that fact.

Q. Mr. Morrill, don't you know that he did go to Macon? A. I am satisfied he did, because I know, I am certain, he was not in town once or twice.

Q. Hadn't he been absent from Atlanta and returned when he showed you that paper that he thought Governor Colquitt could not get over, "the old man," or whoever he called him? A. I do not recollect that he stated that, but presume he had been. That was my impression at the time. But my impressions, I state, are not evidence. I presume he had been absent; I know it as well as I know certain things that I cannot swear to; I know that he had been absent to get up certain evidence, because, as I understand it, when he came down to my office to show this paper before he filed it, he felt very happy about it; I judged from his tone and his remarks.

Q. Don't you know that Bacon lived in Macon, and I believe Pierce, too? A. I do not know that Pierce did; but Bacon lives in Macon.

Q. And Trammell in Dalton? A. Trammell in Dalton.

Q. And Simmons in Macon, the old president of the senate, and chairman of the finance committee, lived in Macon? A. Yes, sir.

Q. They were members of the legislature at the time this repealing act was passed? A. I do not know that as a fact; I presume they were. It is a matter of record that is very easy to find out.

Q. I will ask you, just before Mr Hill left you to go to the senate, whether he had any conversation with you in which he stated his belief that the governor would not indorse the bonds, or his fear that he would not? Did Mr Hill say anything to you on the subject of the probability or possibility of the governor's indorsing your bonds just before he went to Washington, or about the time he went? Do you remember anything of that kind? A. Mr Glenn, I don't like to answer that question. The impression upon my mind is that there was something said, but the impression is so faint that I do not want it to go as evidence.

Q. Give your best recollection of anything that Mr Hill said to you. You were asked this morning why you changed attorneys. I will ask you whether anything Mr Hill said to you changed your mind? A. I do not know, but I think Mr Hill stated to me that he thought it was a pretty bad case, but I may be mistaken.

Q. But your impression is that it was a pretty bad case—that is to get the indorsement? A. Yes, sir.

The chairman objects to this line of questions, as the committee is not going to investigate the contest between Mr Murphy and Mr Hill as to which of them the fee should be paid. After discussion the chairman ruled that any testimony respecting Mr Murphy's actions and motives was irrelevant, unless it at the same time bore upon the action of the governor. This was overruled by the committee, and the question allowed to be put.

Mr Glenn. Will you please answer that, now? My question is this: You stated that your impression is you had a conversation with Mr Hill. Did not you understand from that conversation that Mr Hill had rather lost confidence in obtaining the indorsement? A. That is my impression, but I cannot state it as a fact.

Q. It is your best recollection now? A. Yes, sir; it is a long time ago, and I cannot state all that has occurred.

Q. Mr Morrill, was it not in consequence of Mr Hill's failure to obtain the indorsement, and his absence, and your belief that Mr Murphy could obtain it, that you changed your lawyers and took Mr Murphy? A. I do not know that I thought of that thing about changing lawyers. I do not know that occurred to me. Mr Hill had failed to get the bonds, and not getting them signed, I employed the very first man that I thought could get them.

Mr Wright offered the following:

"Resolved, That in pursuing this investigation the committee will not take any testimony concerning the conduct of Mr J W Murphy, except in so far as the same is connected with any alleged improper conduct on the part of the governor."

After discussion this was lost by a vote of 3 to 7.

Mr Fort. Colonel Morrill, I understood you to say that the affairs of the rolling mill company were in a very desperate condition at the time of your engagement with Mr Murphy. A. That is true.

Q. You wanted the bonds indorsed? A. Was obliged to have them.

Q. You had employed counsel for that purpose, and they had not been successful? A. Yes, sir.

Q. Did you engage Mr Murphy because of his superior skill as a lawyer, or did you engage him because he took a conditional fee, and had a limited time, say twenty days or about that time, and that you knew if at that time they were not, you lost nothing, and if they were that accomplished your purpose, that you engaged Mr Murphy? A. That is true.

Q. You took him on that proposition because you could lose nothing by his failure? A. Yes, sir.

Governor Colquitt. I wish to ask a few questions. It is more in the way of strengthening what Morrill has already stated about my connection in this matter by reason of the conversations that he had with Mr Murphy. You remember I had an interview with you in my room? You were brought there by Mr Murphy. A. I do, sir.

Q. With a view to answering any inquiries which I was instituting as to what Mr Murphy said to you when he made this contract? A. Yes, sir.

Q. I asked you to give me then in terms what Mr Murphy said your response was, and you said that you would answer generally, which would cover the question that Mr Murphy never referred to me directly or indirectly, by insinuation or otherwise? A. I think I have stated that to the committee, excepting as my memory is refreshed, when he handed me the statement signed by Mr Bacon and others.

Q. I want to show that I did institute an inquiry after the conversation that Mr Hill and myself had, as you remember I stated to you? A. I stated to you fully and squarely that Mr Murphy never alluded to you in any sense, directly or indirectly, as interested in this matter. I think I stated that, and I state it now.

Q. To recall your mind more emphatically to it, you remember that you were about to add the emphasis of an oath and rather apologized, through courtesy to me, for getting out a portion of it. A. No doubt I swore; I sometimes do, I am sorry to say.

Q. You remember I had another interview with you, Mr Morrill, in the presence of General Holt? A. Yes, sir.

Q. I then asked you questions in detail, stating to you that my only object was to arrive at the true state of things. You had denied it before to me, but that night I questioned particularly, because I had heard a good many rumors connected with "the old man"—"what old man!" don't you remember, Mr Morrill, that in going over in detail all that occurred which you said was the state of facts just as you would give on oath, if you had to testify in the case, and that you would do it just with the same solemnity as if you had to testify in the case. You said that there was no reference made to any third party whatever except at the time when you were asked to give him a guarantee for the fee, and he gave as the reason for demanding that, that other parties were interested; you remember that? A. Yes, sir; that is true. At the same time I did state that, as this conversation had occurred a long time ago, that there might be some things that I had left out through inadvertence. But I told then all I could recollect. Mr Hill, in his questioning of me this morning, brought to mind a statement made by Mr Murphy that had entirely slipped my mind absolutely till he brought it to my mind this morning. I stated then to you I would tell you everything that I knew, that I had nothing to conceal about it, that I knew nothing that was to be concealed, and that I would tell you all that I knew. At the same time I stated that there might be some things that I had not stated simply for the want of recollection. When Mr Hill called my attention to it this morning, I recollected it. The reason I did not recollect it when I talked with you was that it had so little impression upon my mind that it did not make any. It did not impress my mind so that I did recollect it, though I intended to tell you everything that I knew about it. I am very frank to say that.

Q. And after having gone through in detail all that occurred you reiterated in general terms that there was no sort of an allusion to me, or anything that you thought was an allusion to me? A. I think, sir, you have been present at my testimony, and I think I have stated that not only generally, but specifically in detail, both on Mr Hill's leading questions and on Mr Glenn's cross questions, if you call it such. And, by the way, sir, I would like now, if Mr Hill, who everybody knows is a very able lawyer, as well as Mr. Glenn, I am here entirely alone. I have no representative. I had no idea that this investigation was taking the course it was, and that Mr Hill was the leading counsel on one side and Mr Glenn on the other.

Mr Hill. Mr Hill is not a leading counsel on one side, sir. I will have my own side hereafter, sir.

Mr Morrill. I want the committee to let me off till to-morrow that I may have my counsel here to represent me. I do not want to be a foot-ball. I did not appreciate it this morning.

The chairman here calls the witness to order.

Mr Hall. Are you president of the rolling-mill company at this time? A. No, sir.

Q. One of the directors? A. Yes, sir.

Mr Hill. I will ask Mr Morrill—I would prefer to do it in the morning, but it is a very small question. Mr Morrill, did I ever say to you on any occasion anything about settling anything or stopping anything except the mere question of fees between me and the rolling-mill? Did I ever propose to stop or settle anything else except about the question of fee? You testified in answer to the question of Mr Glenn, that in my office I said to you I would stop the proceedings for $5,000. A. Yes, sir; you told me if I would give you $5,000 you would stop the whole thing.

Q. What do you mean by the whole thing? Anything else but the fee? A. No. I did not know that there was anything else but the fee.

Q. Did you not say to me that the rolling mill was very anxious to pay my fee, and would do it if you had the money? A. I stated we would be very glad to pay you, and that we would pay you if we had the money.

Q. Did not you state it on that occasion very emphatically? A. I do not not know that I did then very particularly.

Q. Did you not express your anxiety to settle my fee, and that you would do it if you had the money? A. I have no doubt that I did, because you did a great deal of work and I thought you had earned your fee.

Q. The rolling-mill knew all about my work? A. Of course. I have no question they did.

Witness retires.

MR. WILLIAM GOODNOW, SWORN:

Mr Hall. Where do you reside? A. In Atlanta.

Q. Were you connected with the rolling-mill company, located in this city, about the 1st of January and from that time on to the 23d of January, 1878? A. I was.

Q. What connection had you with that company? A. I was its general business manager.

Q. Did you, as the agent or general business manager of that company, have anything to do with making a contract with J W Murphy to make application to the governor for the indorsement of the bonds of the Northeastern railroad company? A. No, sir.

Q. Did you have any knowledge of the making of that contract on the part of Mr Morrill, as the president of the company? A. I did.

Q. What knowledge did you have on that subject? A. I had Colonel Morrill's statement of it after it had been made.

Q. You know nothing but his statement? A. Nothing.

Q. Did you ever have an interview with Mr Murphy on that subject? A. I never interchanged a word with him about it.

Q. There is a letter here in the possession of the committee, Mr Goodnow, supposed to have been written by you to Mr Hill in the month of January, or February, last? A. I have my letter-book here with me. [Exhibiting a book.] That is the letter of the 24th of January you want?

Mr Hill. That is the letter.

Mr Hall. You use this language: "Yours of the 18th instant, before me; note what you say, and in reply I hardly know what to say to you. To the surprise of those most interested, the governor backed square down and we only procured the bonds by paying a large amount of money to parties so near the executive that I cannot believe the negotiations were unknown to him." Will you please give to the committee what information you had, and how you got it, that authorized you to make that statement? A. While the negotiation was made I was away from Atlanta. I was in New York. Perhaps at the particular date that it was made, I was in Augusta or Charleston, but on my way back, and on my return Colonel Morrill stated to me a transaction that he had made with Mr Murphy relative to the indorsement of the bonds.

Q. And it was on that information that you wrote this letter? A. On that information.

Q. Was that all the information you had? A. Of the fact that the bonds were to be endorsed?

Q. Of the negotiations you spoke of that the parties were so near the executive as to leave the impression that the negotiations were known to him? A. That is the only information I had. That is all the report that Mr Morrill made to me at that time. I do not think I had any talk with any other party about it.

Q. You had no talk, you say, with Mr Murphy at any time about it? A. I do not think I ever changed a word with Mr. Murphy about it. I don't know that I even knew Mr. Murphy at that time.

Q. If the committee desire it, I will ask what report it was that Mr. Morrill made to him, if the committee direct it; it is for them to determine whether they will or not.

Chairman. I think you have a right to ask him anything you please.

Mr Hall. Will you state what report Mr Morrill made to you as to the negotiations he had or contract he had with Mr. Murphy? A. He stated to me the contract that he had made as to the amount of money that he paid, and related circumstances that caused me to make that remark in connection with it. He stated the conversation that occurred between him and Mr. Murphy, in which he used this statement that I drew the——

Mr. Glenn objects to the evidence, because it is doubly hearsay; it is Mr Goodnow's recollection of what Mr. Morrill may have stated his recollection was of what Mr. Murphy stated. After discussion the question is allowed.

Mr. Hall. Go on and answer the question. A. The conversation between Colonel Morrill and myself—when I returned he notified me that he had made a contract with Mr Murphy by which the bonds were to be signed by his paying $8,000. That was the money part of it. We had some pretty sharp conversation as to why he did it, from the fact, when I went away from Atlanta to New York, I went to make other negotiations, and went with the idea that the bonds would not be indorsed. I left with that idea. I had given up pretty much any idea that the bonds would be indorsed, and was working to negotiate for money outside of the indorsement of the bonds and had the understanding that during my absence no negotiations would be made relative to the matter; that it would stand just as it was when I left, until I returned and found out whether I had success in making any negotiations. Colonel Morrill's conversation was this: that he had made that arrangement with Mr Murphy to pay that amount of money, and during the conversation I asked him the question, who was knowing to it, and what was the conversation between him and Mr Murphy relative to it, and he stated that Mr Murphy made this remark to him: "The old man's as poor as Job's turkey; knows he will never have the office again, and he is going to make what he can out of it." He prefaced that by saying, "I know, Colonel Morrill, what you think: that I have found out that the governor is going to indorse those bonds, and want to make this $8,000 out of it. But," he says, "that is not true; the bonds will not be indorsed without this money is paid." Then he stated that the old man is poor, he knows he will never hold the office again, and he is going to make something out of it if he can. That is my recollection of it.

Q. You say when you left for New York, you left with the impression and understanding that the bonds would not be indorsed by the governor. From whom did you get that information? A. I got it from the fact that for more than a year Morrill and I had been laboring for it with all the influence he and I could bring to bear, as the party behind the railroad company, and we had failed to that extent that I regarded the subject exhausted, and did not know of any—

Q. What was the last effort you made before you went to New York, and through whom did you make that last effort to induce the governor to sign the bonds? A. The efforts that I made were, of course, made largely through the officers of the N E R R. I was a third party—did not think that it was proper specially for me to go to Governor Colquitt about it. I made the pressure on the officers of the railroad company to bring influences to bear, and it was by conferences at different times that we debated various things that we thought would have influence with Governor Colquitt.

Q. Did you employ any one with a view of influencing him to indorse the bonds—did you, either as the manager of the railroad company, or individually? A. I made a contract with Mr Hill months before that.

Q. How long before that? A. I think the contract was made in June, 1877.

Q. You say after all the efforts you made proved to be unavailing, you left for New York. Do you mean to say that the efforts of Mr Hill had been unavailing? Had you come to the conclusion that he would not get the indorsement when you left? A. I did.

Q. What time did you say you employed Mr Hill—in June? A. I think the contract with him and the railroad company is dated in June.

Q. You employed no one after you employed Mr. Hill? A. No, sir.

Q. Were you present at an interview between Mr Hill and Mr Morrill at your house in the month of February, 1878? A. Yes, sir; I was present. I was thinking whether it was in February or January; perhaps it was February. That letter brought Mr Hill to Atlanta, which—

Q. Well, sir, will you state what took place? A. This conversation that I have just stated to you took place then. I had had that conversation with Colonel Morrill at different times. Mr Hill came to me, to my house. I repeated the conversation to him. In talking it over I suggested whether I had not better send over for Mr Morrill, and let it be stated in his presence, to see if we understood it right—to see if I reported it correctly.

Q. Did you send for him? A. I did.

Q. Have you stated all that was stated by Mr Morrill on that occasion? A. Well, sir, I do not suppose I could remember it all. He mentioned a circumstance at the time. I think he stated that Mr Murphy came to his house on Sunday, I think; he went on to state the process of the negotiation from its commencement, and it was followed up perhaps to the next. I think he said the first interview he had about it at that time was on Sunday, and it was followed up for perhaps Monday, Tuesday, Wednesday, for three or four days perhaps before it was absolutely closed.

Q. You mean to say that the negotiations extended over a period of that length? A. Yes, sir; three or four days.

Q. You do not recollect anything else stated by Mr Morrill to Mr Hill in your presence on the occasion referred to? A. I think he mentioned—of course we had a conversation there of perhaps an hour and a half or two hours on this general subject. One little circumstance that he related, that perhaps next day after he had finally closed the contract—it was either the next day after he closed it or during the pendency of those days—that he went unexpectedly into Mr Murphy's office, and he was in close conversation with the governor, and his abrupt appearance seemed rather to disconcert them, and he made some casual remark, inquired for somebody maybe and withdrew immediately.

Q. Do you know the service rendered by Mr Murphy rendered the rolling mill company or the railroad company in getting the indorsement? A. I do not know that.

Q. Do not know of his rendering any services at all? A. No, sir; I do not.

Q. Not of your own knowledge or through Mr Morrill? A. No, sir.

Q. Didn't hear him say anything of what service he rendered? A. Yes, sir; I [illegible] that I have heard it from him, or I have [illegible] it perhaps from him at the time that I had—

Q. State what service he rendered according to your information from Mr Morrill? A. I think he predicated his service as represented to me on the fact of having procured the signatures of prominent men who were at the legislature at the time the joint resolution was passed.

Q. Procuring their signatures and presenting them to the governor? A. Yes, sir.

Q. Do you know of any fact or circumstance going to show that Governor Colquitt was in any way connected or interested in the consideration received by Mr Murphy from the company to intercede for the purpose of getting the bonds indorsed? A. No further than stated by Colonel Morrill.

Mr Preston. If you had heard nothing which would implicate Governor Colquitt in this matter, I ask you what reason had you for writing this letter to Mr Hill? How did you come to make up your mind to write such a letter to Mr Hill if you did not have some good reason for suspecting that there was some implication of Governor Colquitt? A. Have not I just stated that Morrill stated that Murphy told him?

Q. Is that the only reason? A. That is the only reason, unless I had made up my mind—that was not the first time that overtures had been made to me or to third parties that for fees the bonds could be procured. I had, as the manager of the rolling-mill company, I had set my face that I would not pay money in that direction.

Q. Who made other overtures to you? I mean propositions to you besides Mr Hill and Mr Murphy? A. Colonel Morrill had stated to me months before that, that he had conversations with Mr Murphy about it, that he had approached him with a view of getting the indorsement for a fee.

Q. I will ask you if anybody led you to believe that it would take money to get Governor Colquitt to sign these bonds, if anybody led you to believe that; and I will ask you further if that impression, made it makes no difference how, was not the cause of your writing the letter like this to Mr Hill? A. The impression that it would take money, that that impression was made?

Q. That it would take money to get Governor Colquitt to sign these bonds? A. The impression was made that—— Morrill stated that Murphy had stated that the bonds would not be signed without that, as I stated before. He says I know you think that I have learnt that the governor is going to sign the bonds.

Q. Now, I will ask you this further question—was it your impression that it would take money from your company to anybody else, except your attorneys, to have these bonds signed? Was the impression made on your mind that it would take money to be paid to Governor Colquitt, or any of Governor Colquitt's friends, to have these bonds signed? A. The fact was patent that it had taken money; that was the cause of my writing it.

Q. Were you under the impression that it would take money from your company to be paid Governor Colquitt, or somebody for Governor Colquitt, or Governor Colquitt's friends, to get these bonds signed? A. When I wrote that letter?

Q. Yes, sir; it is a plain question A. It is a plain question, sir. Yes, sir; I had been laboring, as I say, 15 months to get them signed and been unsuccessful——

Q. That is not an answer to this question, Mr Goodnow. We want to know whether that was your impression. A. That was my impression that it was going to take money to get the bonds signed.

Q. Well, now, then please be a little more explicit and tell us why you were so impressed, that Governor Colquitt, or Governor Colquitt's agent, or Governor Colquitt's friends were to receive money. A. I do not know that I understand that.

Q. I say please be a little more explicit. What put you under that impression? A. That it would take money?

Q. To Governor Colquitt, or Governor Colquitt's agent, or friend, or anybody for Governor Colquitt. Why were you under that impression? A. I was under that impression from this fact, that we had used every influence that had suggested itself to me or the officials of the railroad company, or anybody that was interested in it, by way of getting men that we supposed to have influence with Governor Colquitt to see him; by getting men who were known or supposed to be hostile politically to him, to get them to go on record for that; and from the fact that this proposition had been stated to me by Colonel Morrill that overtures had been made to him. We had discussed the matter in a general way that for a fee the bonds could be indorsed, and I took the ground with him that if it was right to indorse them, they should be indorsed without a fee, and if not we ought not to get them.

Q. Had you not used all your efforts [illegible] to the conclusion that the payment of [illegible] anybody else, any attorney, Mr Hill, Mr [illegible] or to anybody else whomsoever, would not [illegible] getting Governor Colquitt to sign these [illegible] that the only way you could get them [illegible] to pay money directly to Governor [illegible] friend, or his agent—hadn't you come [illegible] point? A. I do not know. I had [illegible] would never consent to pay any money.

Q. Had you not come to the point [illegible] were satisfied in your mind that these [illegible] could never be signed unless money was [illegible] somebody else besides your agent, your [illegible] or somebody acting for you? A. Yes, sir; I had come to that conclusion.

Q. That conclusion, then, caused you [illegible] that letter? A. It caused me to write [illegible]

Q. The committee are entitled, if you [illegible] any other fact than already stated, to [illegible] additional fact you have which will [illegible] on this letter here, as a reason why you did [illegible] Had anybody, in other words, stated to [illegible] fact which induced you to believe that [illegible] Colquitt would receive money to sign these [illegible] Had anybody induced you to believe that [illegible] do not think that I had had any [illegible] particularly about it, except with Colonel [illegible]

Q. Then why had you come to your [illegible] that he would receive money? How did [illegible] any impression at all of that sort? A. I [illegible] swered that question. It is, as I [illegible] this: that we had failed for nearly a year [illegible] in any other way, and Colonel Morrill [illegible] summated what he regarded as the only [illegible] for the signing of the bonds during my [illegible]

Q. I will ask you one more question: [illegible] any reason to believe that Governor [illegible] Governor Colquitt's agent, or Governor [illegible] friend, ever got any of that money for [illegible] those bonds? Have you any reason to [illegible] that? A. I have always believed the [illegible] that Colonel Morrill made to me, that he [illegible] me what he believed to be the truth as [illegible] from Mr Murphy.

Q. That is an explanation, but it is not [illegible] swer to the question. I asked you if you [illegible] reason to believe that Governor Colquitt, [illegible] ernor Colquitt's friend, or Governor [illegible] agent, received any of that money for [illegible] those bonds? That is a very direct [illegible] I will ask you to answer it, if you please? [illegible] you mean to include by that Mr Murphy [illegible] know it was paid to Mr Murphy.

Q. I do not mean him. I mean an [illegible] friend for the governor's use. Or do you [illegible] that Murphy received that money or a [illegible] for Governor Colquitt? Have you any [illegible] believe that? A. That impression was [illegible] my mind from the statement that Colonel [illegible] made to me of what he said that Murphy [illegible] to him.

Q. Do you know that Governor [illegible] any of it? A. I do not.

Q. That Governor Colquitt's agent got [illegible] A. I do not know what became of the [illegible] except that it was paid to Mr Murphy.

Q. Do not know who received it? A. [illegible]

Q. I will ask you whether you know [illegible] ernor Colquitt had any knowledge of [illegible] action existing between your company [illegible] Murphy up to the time the bonds were [illegible] A. If Governor Colquitt had any [illegible]

Q. Yes, of the transaction between you [illegible] Murphy up to the time the bonds were [illegible] A. Not to my knowledge, he did not.

Q. Then, so far as you know, Governor [illegible] has had nothing in the world to do [illegible] whole transaction, except to sign the [illegible] Nothing, except sign the bonds.

Q. Why did you write that letter? A. [illegible] Morrill had told me that Mr Murphy had [illegible] that the bonds would never be signed [illegible] money was paid.

Q. Then, you had no reason for writing [illegible] severe letter about Governor [illegible] thought I had at that time.

Q. Well, do you act without a [illegible] could not construe, or put any other [illegible] upon the statement made to me by [illegible] rill of the conversation made by Mr [illegible] seems to me that is the best answer I [illegible]

Q. You know nothing, then, except [illegible] Morrill stated to you? A. That is it.

Q. It all comes down to what Morrill [illegible] Yes, sir.

Mr Cox. You were in New York, or on [illegible] when this negotiation was made with [illegible] Yes, sir.

Q. And when you arrived at home, [illegible] you of the negotiation? A. Morrill [illegible] me to stop negotiations and come home.

Q. And when you got home, Morrill [illegible] of all those facts? A. Yes, sir.

Q. And when he told you of all those [illegible] wrote that letter to Mr Hill? A. I wrote [illegible] ter to Mr Hill.

Q. And the reason why you wrote [illegible] was that you had had that [illegible] Morrill, and he told you all these [illegible] Murphy had said to him? A. Yes, sir.

Q. The question was asked you [illegible] impression on your mind was that it [illegible] sary to pay money. I understood you [illegible] before you had left for New York, you [illegible] you would never pay any money. A. I [illegible] that. I never had consented to it. I [illegible] too. And my conversation was so [illegible] positive with Colonel Morrill that I had [illegible] wrote him a letter, that he might regard [illegible] sonal, which is copied there.

Q. Therefore the impressions under [illegible] wrote that letter were not as to what [illegible] necessary to secure the indorsement of [illegible] but they were your impressions of what [illegible] necessary to secure the indorsement of [illegible] A. Yes, sir.

Mr Hammond. Did Mr Morrill [illegible] ter stating that he had made these [illegible] with Mr Murphy, and have you such [illegible] your possession? A. No, sir; he did [illegible] a letter; it was telegraphed to me. [illegible] telegraph in my possession.

Mr ——. I believe you stated [illegible] that you employed Senator Hill as [illegible] in this matter. A. Yes, sir.

Q. What were you to give him? [illegible]

Q. That was for what service? [illegible] procuring the indorsement of the bonds.

Q. By whom? A. Governor Colquitt. The contract with Mr. Hill was a conditional one.

Mr Hill. Mr Goodnow, you have already stated that you were present at this interview between Morrill and myself at your house, and related what transpired there in that conversation. What amount did Mr Morrill say that Mr Murphy at first exacted when he commenced the negotiations? A. $15,000.

Q. That was two or three months before? A. I think it was more than that.

Q. Did he not represent that Mr Murphy had been repeatedly offering this, beginning at $15,000 and finally falling to $10,000? A. He stated then what he had stated to me in a conversation before, that he had been approached at different times, and there had been some talk about it, and the matter dropped. Whenever he would present the subject to me, I always told him I would not pay, and the business of the rolling-mill company was done almost exclusively by me.

Q. You alluded to the money which it required? A. Yes, sir. I took the position from the start. In the very start of the whole matter I was approached in that way.

Q. You remember reporting to me once that such a whisper was made in your ear, and you felt indignant? A. Yes, sir.

Q. Mr Goodnow, in this connection, did not Mr Morrill represent that Mr Murphy, in these various interviews with him, told him that nobody could get the indorsement but him, Murphy? A. Yes, sir; he stated it.

Q. That he could get it, and get uiib ck? Did not he use that language? A. Yes, sir; and Colonel Morrill stated also in that interview to me, when I got back, that the bonds were commenced being signed within forty-eight hours after the negotiation was closed.

Q. And did he not state that same thing to me that night? A. Yes, sir.

Q. Did he not also say in that conversation that when Murphy approached him one evening, stating that he would take $10,000, that he appointed to meet him one afternoon at 4 o'clock on Sunday? A. That, I do not remember.

Q. You know he had an interview? A. He stated that he came to his house one Sunday and then the interview commenced.

Q. And that was the beginning of the negotiations? A. Yes, sir; that is what he represented, the commencement of it.

Q. Did not Mr. Morrill say in this connection—now I will give you the expression and let you alter it in any way, according to your recollection. Did not Mr Morrill tell me in your presence on that occasion that when he was in that interview, hesitating to pay the money, saying it was damned hard that people had to pay for their rights, or something of that sort; that Mr Murphy said this: "Morrill, I know just what you are thinking. You are thinking that I have found out the governor is going to indorse these bonds anyhow, and I am taking advantage of it to go and make this money out of you. Now, that is not so, or I be damned if that is so. I tell you, you may try it as long as you please, you will never get them bonds indorsed till you agree to pay me this money." Then, continuing, said: "There is an old man up here, got a damned big office, which he never expects to get again; he is poor as Job s turkey and going to make all the money out of it he can while he has got it?" A. I do not recollect the phraseology just as you put it about the old man. I recollect that he said the man, old man, is poor and knows damned well he will never get it again.

Q. Was the expression he used "the old man?" A. "Old man." Yes, sir; that is what he said.

Q. "The old man knows he has got a high office, and knows damned well he will never get it again?" A. I believe I have already stated that.

Q. Did not Mr Morrill, in that same conversation, continuing, say to me that under that declation by Mr Murphy, or some short time afterwards, he agreed to pay the $8,000? Mr Murphy fell to $8,000, you remember? A. Yes, sir.

Q. Now, then, did Mr Morrill not say in the same conversation, after he had agreed to pay the $8,000, that Mr Murphy said, "Well, you have got to make it in writing"? Do you remember that? A. Yes; I remember that. Morrill stated that he says, "You don't want a transaction of this kind in writing?" He says, "I don't care about it as far as I am concerned, but there are other parties interested that do."

Q. Did not Morrill express astonishment? Did not he say, "Hell, do you want such a transaction as this in writing"? A. That is what he said; yes, sir.

Q. And he said he did not want it for himself, but other parties interested that did? A. My recollection is that other parties were to be satisfied, who wanted to see the writing.

Q. Now, Mr Goodnow, did not Mr Morrill, in that same conversation, say to me that the day, or the day after, or very soon after he agreed to pay this money, that he, Morrill, went into the treasurer's office for some purpose, and as he went in he saw the governor and Mr Murphy in very close conversation; that they seemed confused when they saw him, and he, observing it, made some excuse, turned around and went out? A. I have already recited that.

Q. I want you to state that he said that to me in that conversation. A. Yes, sir.

Q. I never got it anywheres else I know. A. I state that this conversation had been talked over two or three times between Morrill and myself before Mr Hill came here, and that when Mr Hill came here he demanded to know what it was, and I at first declined to give it to him, and he said it was his right to know as attorney in the matter, and, after some thought, I gave it to him, and then, so as there should be no misunderstanding about it, I sent for Morrill.

Q. And didn't you and Morrill give me the information because I had a right as attorney to know? A. Yes, sir; I think you recollect I declined to give it to you—hesitated.

Q. Yes, you hesitated and said Morrill knew more about it than you did. Well, now, didn't Morrill in the same conversation, continuing, say that some time after this agreement---did he not say so at first, when Murphy offered to get the indorsement, when he first agreed to the proposition and was to get the indorsement in ten days, that afterwards Murphy came and demanded an enlargement of the contract to twenty days, because the work of indorsing the bonds and signing the coupons could not be done in ten days? Do you remember that? A. I do not remember whether ten or twenty days, but sometime was fixed, and he asked an extension and saying that the clerical work in signing the coupons could not be done in that time.

Q. Was not the reason of the enlargement because of this clerical work in signing the coupons? A. That was the reason Mr Morrill stated he assigned, and he wanted sufficient time that there should be no catch if they failed to get it in the time. Mr Morrill stated he was not particular about three or four days if the bonds were signed.

Q. Did not Mr Morrill say in that conversation first that in twenty-four hours, and then said at least in forty-eight hours after the agreement was made, that they were signing the bonds, and the treasurer took the coupons out to his house signing them? A. He said he knew that they were being signed within 48 hours, and thought in 24. He was positive as to the 48.

Q. Did he not state to me in the same conversation that after this agreement Mr Murphy came to the bank and said, "Mr Morrill, the bonds are indorsed, and now I want the money. Morrill said he called it swag; and Murphy said he could wait, but the old man was going off that night, and was obliged to have some money before he left. Do you remember that? A. No, sir; that conversation did not occur at that time.

Q. When did it occur? A. It occurred the day the bonds were delivered to us.

Q. Well, were not the bonds delivered and the money paid the same day? A. Yes, sir.

Q. Did not Morrill tell me so at your house? A. Oh! yes, sir.

Q. Did not Morrill tell me at your house that this conversation occurred at the bank? A. Yes, sir.

Q. Now state what he said about the old man having to leave and he must have money, just as you recollect it. A. Well, sir, the day the bonds were delivered to us, Colonel Morrill and myself were at the bank. We went there, perhaps, by ten o'clock in the morning, expecting the president and officers of the road to be there about that time.

Q. Of the Northeastern R R? A. of the Northeastern R R. They had not come; we waited for two or three hours; they did not come in. During the meantime Mr Murphy came in the bank, and had a conversation a minute with Colonel Morrill, and went out. I never heard any of the conversation. As he came in I stepped back, or Mr Morrill from me. After he went out I said, "What does Murphy want?" Morrill said, "He has come after the swag." I said, "It is time enough to get the money when we get the bonds." He said, "That is what I told him." Then in perhaps an hour or two more---I do not know just the time---Murphy came in again, and had some conversation with Colonel Morrill to themselves, and went out; and as soon as he had gone I said, "Is Murphy after his money again?" He said, "Yes." I said to Colonel Morrill "It seems to me he is in good deal of a hurry about it, when we haven't got the bonds. It is then he said: 'That is what I told him.' I said: 'What did he say?' He said: 'He was not in a hurry himself, but the old man was going away and had to have some money,'' That is what he stated to me at the bank.

Q. And he reported that about the old man going away and having to have some money, at your house? A. Yes, sir.

Q. Didn't I charge Mr Morrill in that conversation to tell me all the facts exactly as they occurred? A. Yes, sir. After reciting all these facts as I recollected them to you, I said, "Perhaps, I had better send over for Colonel Morrill," and sent for him and when he came, I stated to him that I had recited the statements he had made to me to the best of my recollection, and perhaps he had better reiterate them—tell them again to Mr Hill, so that there should be no misunderstanding, and then he went on and made his own statements.

Q. That is correct. Did Colonel Morrill in that conversation at any time represent or pretend that he had employed Mr Murphy for his legal ability or as attorney? Did he say anything about employing Mr Murphy for his legal ability in the matter? A. No, sir; I don't think he did.

Q. Didn't he represent that he employed Mr Murphy solely because Murphy convinced him that nobody but him could get the indorsement? A. That is the idea he sought to convey to me all the time. I was pretty severe with him, Morrill, about making the transaction.

Mr. Preston. Had you and Mr Morrill talked about who the old man was, and who was meant by the old man by Mr Murphy? A. Yes, sir; I asked Colonel Morrill the question.

Q. Who he thought it was? A. I asked the question in one of our conversations, who he understood the old man to be.

Q. Who were those other parties in whose interest he desired that contract to be put in writing? A. I do not know, sir.

Q. Answer who you thought it was. A. Shall I give you the answer just as Colonel Morrill gave it to me?

Q. Yes, sir. A. I asked him "Who do you understand the old man to be?" He said, "Hell, what do you ask such a question as that for?"

Q. He did not call any name then? A. No, sir.

Q. Don't you know whom he meant? A. I think he meant Governor Colquitt. I could not think he meant anything else.

Q. Do you know of your own knowledge that the old man did go off the next morning anywhere? A. Not of my own knowledge, I heard by hearsay that he did go away that night, as it was stated that he would.

Mr Cox. What day of the month was it that the money was paid? A. I could not tell that. It was early in February. That is a fact easily found out from the date of the check.

Q. You said you had information that Governor Colquitt left the town that night, did you? A. I said that I think I heard at the time that he did. I have no knowledge.

Q. Do you remember from whom you heard it? A. No, sir.

Q. Do you remember where he went? A. I think he went to Southwestern Georgia, down to his place; that is my recollection of it. I did not take the trouble to inquire. I did not care anything whether he went or did not go.

Q. Do not remember any person that told you? A. That he went away?

Q. Yes, sir. A. No, sir; I do not think I do.

Mr Glenn. You have stated in answer to Mr Fort that Mr Hill's fee was $10,000. Was that the fee you were to pay him provided he succeeded in obtaining the indorsement? You said it was a conditional fee. A. Conditional fee. Yes, sir.

Q. You were to pay him $10,000 if he succeeded in obtaining the indorsement? A. Yes, sir.

Q. Well, now, I want to know if the truth is not that you were only to pay Mr Hill, $7,000 if he succeeded in obtaining the indorsement. A. No, sir; the truth is that I was to pay him $10,000; and after I made the negotiation with him, asked him to keep it to himself, to let me negotiate with the railroad company, to get them to pay half the fee.

Q. You asked him to put it into writing? A. It was put in writing that they should pay $5,000. But I asked him to say nothing about that I had made a negotiation with him at all.

Q. When did you first agree with Mr Hill on the fee? A. I should think that I first commenced talking with him——

Q. Not when you first commenced talking: when you first agreed to pay him a fee. When did you first employ him as your lawyer in the matter? A. Do you mean by that the date of the contract?

Q. No, no. You know when the relation of client and attorney began. A. I should say some six weeks before the signing of the contract, more or less.

Q. Now, Goodnow, that contract was $10,000, that you were to pay Mr Hill, and you afterwards put it in writing because you wanted to get the railroad company to pay half of it? A. That is the only written contract that there is jointly with us and the railroad. But after I went to him and stated the condition of affairs, relative to this matter, and asked him if he would take the case for a conditional fee, if he succeeded——

Q. Take what case? A. Take the matter in hand of getting the bonds indorsed, and let his fee be conditional. We had a talk of perhaps not a long time at the first interview, and I left him with the understanding that he would look into it and see what he would do. Then I saw him perhaps two or three days after that.

Q. Then what took place? A. Then we had the conversation as to the amount of the fee.

Q. What was fixed on as the amount? A. The fee was not fixed on at that time. The conversation we had at that time was $5,000. I insisted that that was fee enough. And the third interview he said he would not take it on a conditional fee of $5,000, but would for ten.

Q. Did you agree on ten? A. I said to him let me go to the R R Co, and if I can get the R R Co to give any I will give the $10,000.

Q. And the result of it was, they agreed to pay half? A. I went over and talked over the matter, and the result of it was they agreed to pay half of it, and we agreed to pay Mr Hill ten.

Q. Wasn't the truth of that matter that Mr Hill only charged you $7,000? A. No, sir.

Q. And that at your request it was put in writing at $10,000 in order to make the R R Co pay $5,000? A. No, sir.

Q. Isn't it true that Hill charged you only seven thousand dollars? A. No, sir; no agreement of that kind made; no memorandum of that kind made.

Q. You made that contract as general manager with Mr. Hill? A. Yes, sir.

Q. Did you report it to the president? A. I did.

Q. At once? A. I did to the president at once.

Q. How long afterwards? A. I do not recollect.

Q. Sometime, was it not? A. I do not think it was long, from the fact, as you know, Colonel Morrill and myself, he the president, live adjoining lots and go back and forth almost every day.

Q. Did he approve it in writing, as your rules require? A. No, sir.

Q. Did not your rules require any contract to be approved in writing over $500? A. I do not know whether they did or not.

Q. Was not Mr William S Thompson a director and the attorney of the rolling-mill company, at that time? A. I think he was.

Q. Was it not the rule of that company that all litigation that they should have should be put into his hands for management? A. I do not know what the rule was.

Q. Was not the instruction or intention of the company, of the president and directors, that Mr Thompson should manage the litigation of that company? A. Mr Thompson was the attorney of the company.

Q. Was not it the instruction of the company? A. I do not know that there was any instruction about it.

Q. Wasn't that the intention of the company that he was to manage that part of the business? The litigation of the company? A. That would be the natural inference.

Q. I am not asking you for inferences. Was it not the intention of the company that Mr Thompson should have charge of the litigation? A. I suppose that is true.

Q. Did you let Mr Thompson know that the rolling-mill had entered into this contract with Mr Hill? A. I do not think I did.

Q. Was he not ignorant of it, so far as your reporting it to him was concerned, until after Mr Hill came back from Washington and demanded his fee? Is not that the first time Mr Thompson's attention was called to the fact that Mr Hill had ever been employed? A. I cannot answer that because I have no recollection of ever having had any conversation with Thompson about it. It was the custom of our business. I used to talk with the president of the company a good deal; any thing that I had any views about I talked with the president.

Q. Mr Goodnow, you stated just now that you had been approached before about indorsing these bonds; who approached you? A. Well, I was approached by Col. Morrill in the same way. Colonel Morrill stated to me that overtures had been made to him by Mr Murphy months before.

Q. Did you not state to Mr Hill before he left for Washington that it had been whispered in your ears that for money these bonds could be indorsed? Did you tell Mr Hill that, or did you not? A. I presume I told him that Colonel Morrill had stated to me that he had been approached by Murphy.

Q. Well, now, was that before Mr Hill left for Washington that you told him that? A. Yes, sir; it was before that, a long time before that.

Q. It was after the supreme court decision, was it not? After the supreme court had decided upon this case of the Northeastern railroad? A. I think it was after, and perhaps before. I know, in a general way, two or three different times, Colonel Morrill stated to me that he had had a talk with Murphy, as he called him, leaving off the Mr. He had told me that for a fee he could get the bonds indorsed.

Q. You say that is what you alluded to when you told Hill it had been whispered in your ear that for money you could get the indorsement? A. That is what I alluded to.

Q. That is all you alluded to when you told Mr Hill that it had been whispered in your ear that for money this indorsement could be obtained? A. No, sir; that was not all I alluded to.

Q. Then, tell what else? A. I was approached before Governor Colquitt was governor.

Q. Before Governor Bolquitt was inaugurated? A. Yes, sir.

Q. Well, what about? A. A gentleman came to me (I suppose you want to know who the gentleman is) and said that he thought if I would consent to pay a fee, I could get the bonds signed.

Q. That was during whose administration? A. Governor Smith's administration.

Q. How much fee? A. The first interview I had with the man we did not talk about fees. I was pretty indignant about it, and replied there was no use talking to me about fees. I would not talk about such a thing, and the matter was dropped. Then, perhaps the next day, day or two at any rate, the conversation came up again, and the amount of the fee came up, and in that conversation I asked him what the fee would be. He said he did not know; no fee had been mentioned. I said: "I don't think it is right to pay any fee. I will give $500." He said: "I do not think that would be fee enough;" he would talk to the party about it.

Q. Talk to what party? A. The gentleman who was proposing to get the indorsement for the fee.

Q. The gentleman that was proposing it, whom did he say he would talk to, to know whether $500 would be enough? A. He talked with Mr Alexander—P W Alexander. He was the man that was going to take the fee.

Q. Is P W Alexander the man who had the talk with you? A. No, sir. Mr Coker is the man who came to me, the president of the bank down here.

Q. What did he say? A. He said just what I have said—that for a fee he could get the bonds signed.

Q. Was Mr Murphy connected with that, and his name mentioned? A. No, sir; I did not know that there was such a man in the world then.

Q. I asked you what it was you alluded to when you told Mr Hill it was whispered into your ear? A. I alluded to the conversation that Colonel Morrill had reported to me.

Objection to this going on the record.

Mr Glenn. I want it distinctly understood that this comes out, not in answer to my question. It is a voluntary statement. A. I make that in answer to your question, if that was all I alluded to.

Q. Now you answer, Mr Goodnow, that what you alluded to when you told Mr Hill that it was whispered to you, was what Mr Morrill told you? A. Yes, sir. I made the statement that I did when you asked me if that was all I alluded to.

Q. Well, you looked a little mysterious, and I had nothing to conceal. Mr Goodnow, are you connected with the rolling-mill company now? A. I am one of its directors.

Q. When did you cease to be general manager? A. 1st November.

Q. Why did you quit? A. There were some two or three of our directors that were not in accord with my management. And some little time before I resigned, to take effect 1st November.

Q. Were you not required to resign? A. No, sir.

Q. No pressure brought upon you? A. No, sir; I do not think there was.

Q. Have not your accounts, as general manager of the mill, been going under investigation? A. Yes, sir.

Q. I will ask you if you are not behind with the money of the mill?

Objection on the ground that witness is not obliged to answer if it would criminate him.

Mr Glenn. I will ask him in this form: Whether they do not charge him with being behind, with being a defaulter—not whether it is true or not; not whether he is guilty or not; but whether or not that is not the issue, that he handled their funds, and is behind with them? And I ask that on this principle: that whenever a witness appears, you can always ask who he is.

Objection and considerable discussion, after which Mr Glenn was allowed to ask the following questions:

My next question would be this: If Mr Goodnow was not here at one time the general agent and manager of the Republic life insurance company, and if his accounts there were not short, and that he had trouble settling with them, and they charged him with misappropriating their money?

The next—if the Atlanta rolling-mill company did not have a claim against Louis Scofield, of Chattanooga, for castings, and that Mr Goodnow went there and told Mr Scofield that he would take a gold watch as part payment of that claim, valued at $50, and if Mr Scofield did not give it to him, and if Mr Goodnow didn't set down and write: "This account is credited fifty dollars on account of defective castings?"

The next question—did not the rolling-mill company owe young Louis Scofield some money on notes, and Goodnow refused to pay them until young Scofield would convey to him (Goodnow) the stock that he (Scofield) owned in the rolling-mill company, and some other things of that kind?

The witness declined to answer them for the present, but stated that when he could get some papers and documents he would come back and make the answer and explain.

Adjourned to 7 o'clock to-morrow evening.

FRIDAY, 7 o'clock p. m.

Committee met in the executive office. Quorum present. Chairman presiding.

Mr Humber offered the following:

Resolved, That the secretary of state be requested to furnish this committee with the original copy of the act chartering the Northeastern railroad company.

Adopted.

JOHN W MURPHY, Sworn:

Mr Hall. Mr Murphy, you go on now and give a detailed account of your connection with this matter; and after you have got through with your statement I will ask you such questions as I desire to ask. A. Mr Chairman and gentleman of the committee—my connection with the indorsement of the bonds of the Northeastern railroad originated from a conversation that I had with Mr Thomas Alexander, I think in the month of November, 1877. I am not positive, however, as to the month. Myself and Colonel Alexander were discussing the profit of convict labor engaged in public works. He said that railroading was very profitable, but that it was sometimes the case that it was difficult to get the money; and instanced the case of him and Mr. Grant of the Northeastern railroad—said that he had a large amount of money hung up, and if the Governor could get hi[illegible]rse these bonds, that he thought the [illegible] remarked to him that I myself was a [illegible]t to be indorsed; as I Matthews, [illegible] he legislature, when Dr withdrawing [illegible]ty, introduced the bill where there [illegible]m all railroads except remembered [illegible]s. I said to him that I the leading m[illegible]it it was the opinion of Mr. Pierce an[illegible] legislature, and named that bill excep[illegible] and some others, that of state aid to [illegible] from the withdrawing Carlton, memb[illegible]d that also Mr H H satisfied with [illegible]e at that time, was not bill; but that [illegible]ion placed upon that through both [illegible]roduced and passed expressly nam[illegible]planatory resolution, from the operat[illegible]d, and excepting it that the state s[illegible] bill; in other words, road. I do not [illegible]e indorsement to that said on that sub[illegible]here was much else wards, Mr Thom[illegible] or three days after- said he had bee[illegible]er came to me and him about the i[illegible]bout what I said to to use his expre[illegible]e legislature; and, that thing in sh[illegible]e, "If you can put nor, and get the[illegible]it before the gover- ten or fifteen t[illegible]rsed, you can make him I certainly [illegible]lars." Well, I told that I would thi[illegible] make that sum, and W C Morrill was t[illegible] He told me that Mr proper to make t[illegible]n with whom it was the negotiation c[illegible]on, or with whom or something of t[illegible], I think he said, Mr. Morrill—he se[illegible] that he would see the subject—he w[illegible] great interest on to see him. [illegible] Morrill and for me

Sometime after t[illegible] with Mr. Morrill, several days, I do [illegible]v long, and spoke to him on the subj[illegible]red into the conversation very rea[illegible] thought from the manner that he m[illegible]nce that he had seen Mr Alexander. [illegible] me then what I told him, that I tho[illegible]ad an idea about it by which I could [illegible] it. He asked me what I would under[illegible] I named the sum of $15,000; the gr[illegible]d by Mr. Alexander, as to what I c[illegible]get. He did not object to the sum; [illegible] would see me again; would see w[illegible] do, that was his expression—he w[illegible] he could do. Sometime after that [illegible]aree weeks, two or three weeks, won't [illegible]bout that—I met him and he said he [illegible]ise the money, and the thing was d[illegible]ing more said.

In the meantime, it [illegible]er to state, that after having the sec[illegible]ation with Mr Alexander, I called on [illegible] Hill, the gentleman under whom I [illegible] afterwards became his partner.

Mr Glenn. In the p[illegible] Yes, sir. And stated to him what Mr [illegible]d said to me—that is that I could ma[illegible]en thousand dollars, if I could get [illegible]rough, these bonds indorsed. I told [illegible] it into it, that I would like to have [illegible] by way of giving me general advi[illegible] and otherwise, as to be the best [illegible] the thing through.

Sometime after that, p[illegible]ell, it might have been a month—I me[illegible] Mr Morrill again, and I says to him, [illegible]t them railroad bonds?" Said he, "if y[illegible]ut the price at a reasonable figure, I will [illegible]nother effort. I will try to get help." An[illegible]he indicated to me that he would tr[illegible] help from the Northeastern R R Co. [illegible]old him that I would undertake it for $1[illegible]id he would see if he could raise it. [illegible] thing more from him until one aftern[illegible]s Saturday afternoon, a colore[illegible] a note from Mr Morrill, asking [illegible]t him at his house the next day, [illegible]unday, and named the hour, which [illegible]member now. I went to the engageme[illegible]rrill told me pretty soon after I got th[illegible]had succeeded in raising $8,000, and that [illegible] that he could raise, and that I must undertake the job. I told him it was Sunday, and that we could not close the trade that day, but that I was inclined to undertake it, and would see him to-morrow or next day on the subject. I met with Mr Morrill, I think, in the Citizens' bank. We did there close the trade, or I did agree to take the sum offered me, and I said to him: "Well, Mr Morrill, we will reduce this contract to writing; and as my acquaintance is limited with you, I will require you to put up the money." To this he seemed somewha a little nettled, and asked me if I was afraid of him for $8,000. I said "no, but this is the business way to do it. I have a friend engaged with me, and I want the writing so that I can show it to him; and I want the money up so that when the work is done, if I succeed, there will be no controversy about that." He asked me then in whose hands he would put up the money. While I was thinking, he suggested Judge Samuel B. Hoyt, president of the Atlanta savings bank. "Yes," said I, "he will be entirely satisfactory to me." I stepped into the bank with Mr Morrill, found Judge Hoyt, and there stated to him in substance our contract; and the contract was simply that I was to do all I could to secure the indorsement.

Mr. Glenn. Will you read that when you come to it in the proper place, and state if that is the contract? [Handing witness a paper]. A. I told Judge Hoyt that the arrangement was that the money should be put up in his hands by Mr Morrill, "and," said I, "Now, judge, you just arrange it to suit yourself, so that you will be responsible to me when the bonds are signed, if they are signed." Says I: "We will fix our arrangements afterwards," meaning myself and Hoyt. Mr Morrill and Judge Hoyt agreed upon the form of their paper, and Judge Hoyt drew the paper in accordance with the arrangement between us, especially as to time. This, gentleman, I believe is a copy of the contract. Shall I read it?

"ATLANTA, GA., January 10, 1878.

"If the governor of Georgia passes an order to indorse, and commences to indorse, with a view to finishing the indorsement of the bonds of the Northeastern railroad company, of Georgia, now in the executive department, or treasurer's office of Georgia, within the next twenty days"—

This is not the original contract.

Mr Glenn. Just finish that, and then you can explain it. A. "And then delivers them properly indorsed and signed within such reasonable time thereafter as may be necessary to indorse the same by said governor, and to sign the coupons by the treasurer of the state, to said railroad or the parties entitled to receive them, then the Citizens' bank, of Georgia, hereby binds itself to pay S B Hoyt, or order, the sum of $8,000, payable only after delivery of the bonds, as hereinbefore stated, the said bonds amounting to about $260,000. Signed: Perino Brown, president of the Citizen's bank, of Georgia; W H Patterson, cashier of the Citizens' bank, of Georgia."

The first contract was signed by Mr W C Morrill, who was at that time president of the Citizens' bank, and signed also by Mr Perino Brown, who was at that time cashier. In four or five days after the first contract was made—

Mr Glenn. Mr Murphy, just to make it intelligible to the committee, was that about the language of the first contract? A. Yes, sir; they are about in the same language.

Q. Was there not some difference in time? A. Oh, yes; the first would read: "If the governor of Georgia passes an order to indorse, and commences to indorse, with a view to finishing the indorsement of the bonds of the Northeastern railroad company, of Georgia, now in the executive department or treasurer's office of Georgia, within the next ten days—"

Q. What would have been the date of it? A. Well, sir, I think the date of it would have been about the 4th or 5th of January.

Q. Now, go on; that is all right. A. After four or five days of this time had expired—four, five, or six days, somewhere along there—I went to Mr Morrill and said to him—I should have put in there that I said after making the contract with Mr Morrill, and while it was being drawn by Mr Hoyt, I named to him the plans that I proposed to operate upon, namely, that I proposed to get the opinions of the leading members of the legislature that were in the legislature at the time of the passage of this bill and resolution, as to the intention of the legislature, so far as this road was concerned, and to embrace in that if I could, where I found lawyers that were members of the legislature, their legal opinion, also, as to the right and legality of the indorsement.

After these four or five days had elapsed, I went to Mr Morrill and told him that I found it would be impossible for me to see all the parties and do the work that I proposed to do, within this ten day's time, and unless he gave me an extension of the time, I would have to abandon it. He then did away with that contract, and signed up this one. In the meantime, there had been a change of bank officers. The annual elections having taken place, Mr Morrill was not elected president, and Mr. Perino Brown, that signed the other paper as cashier, signed this one as president, he having become president. He gave me twenty days then, from that day; and this is the paper.

Mr. Glenn. A copy of it you mean? A. Yes, sir; a copy of it. My impression is that about the time this was being made, I met up with Dr. Little, the state geologist, and discovered from him that he was going over to Athens. Remembering the interest that Dr. Carlton had always taken in this road, he being a member of the legislature, too, at the time of the passage of this bill and this resolution, and having heard him state some of the reasons why he was so interested in it, namely, that he was one of the council of the city of Athens, and was more responsible than anybody else for the subscription of a large sum of money to that road—he had always taken a very great interest in this thing—I say in view of that fact, and having discovered that Dr. Little was going over there, I said to him, "I think I shall telegraph you. If I do send Dr Carlton over here. I think I have an arrangement on hand by which I hope to secure the indorsement of the bonds of the Northeastern railroad company." I told him not to say that much to Carlton, unless he received a telegram from me. I did telegraph him. I stated, however, to him, before he left here, that if I telegraphed him, to tell Dr Carlton to come prepared to stay an indefinite length of time, as I did not know when I would be ready for him to go back, or get through with him, or something of that sort. I think I stated to him, that to carry out my programme I would have to go to Macon and Savannah, Dalton and other portions of the state. I did telegraph him, and Doctor Carlton came over. I told him: "Now, you do nothing but such things as I direct," and stated to him the plans that I had matured in my mind. He said he would be guided entirely by my direction. I asked him to sit down and write Mr Henry D McDaniel, who was also a leading member of the legislature at that time, and as many as he himself thought of. We got ready to go to Macon and Savannah. I think about the time we got ready Mr Lester, Mr Mercer, who were members of the legislature at the time of the passage of that bill referred to, and General Lawton, appeared in this city. I do not aim to say that General Lawton was a member of the legislature. I simply desire to state that it was desirable to obtain his legal opinion. We consulted with these gentlemen, he with some and I with some. And my recollection is they were in attendance on the supreme court here. And we decided to go to Macon and come back and see these gentlemen on the return, as they would still be in the city. That is my recollection about that. I am not clear as to whether we saw them before we left for Macon. I mean by that as to whether we insisted on their giving us the showing to the governor, and others in going to the governor. I remember distinctly that I told Carlton that I would not insist upon General Lawton signing any paper; that he was the character of man that I did not think would appreciate a thing of that kind. We went to Macon, and upon our arrival there, after breakfast, we separated, he going to see Bacon—

Q. What Bacon? A. A O Bacon, speaker of the house at the time of the passage of that bill, and I, Colonel T J Simmons, and we agreed that we would meet on the return from the visit to these gentlemen, at the office of Colonel George Pierce, who was also a resident of Macon and chairman of the judiciary committee of the house at the time of the passage of this bill.

After seeing these gentlemen it was agreed, and we were invited to meet at Colonel Bacon's house and take tea with him that night and talk the matter over together. We did so, and they agreed upon a document which they signed up in their several official capacities, as you might term it, that they occupied in the house and senate at the time the bill referred to was passed. Suggestions were made by myself and Dr. Carlton as to some of the features that were contained in that document.

We returned here and got the indorsement of that same paper by Mr Trammell, president of the senate, of Dalton. We sent to the governor a good many lawyers to express their views as to the propriety and right of the indorsement, and presented to him this paper spoken of above.

Q. Those Savannah men—what did they do? A. Well, General Lawton and Mr Mercer, I think, came in person to see the governor at the solicitation of myself and Carlton. I think I did not see General Lawton at all; Carlton saw him. I held the first conversation with Colonel Lester, and asked him to give us a letter on the same line of the one signed by Bacon, embracing the same ideas of the one signed by Mr Bacon and Trammell and others. He said he could; he was willing to do so, and embrace the idea so far as the intention of the legislature was concerned, but that while he was not clear on it, not having examined the law, or the new constitution, he was rather of the opinion that the new constitution shut off that privilege.

Mr Hall. Who was that, Mr Murphy? A. Mr Lester.

Q. Senator here? A. Yes, sir. He wrote a letter on that line, which myself and Carlton agreed was best not to present, and did not present.

I believe, gentlemen, that is about the history of the transaction.

Mr Hall. Well, Mr Murphy, you have stated there was something about having made two contracts with Mr Morrill. Will you explain that? Do you mean that he changed your contract or enlarged the time? A. Enlarged the time; the same features in both contracts.

Q. Why did you change that contract—I mean enlarge the time? A. Because I came to the conclusion that I would not have time to see all the parties that I wanted to see.

Q. Do you remember the length of time, after making the first agreement, before you asked an extension of the time? A. It was three to five days—probably five days. I do not remember exactly that day.

Q. Mr Murphy, did you represent to Mr Morrill, when you went to get him to employ you to procure the indorsement of the bonds of that railroad company, that you had any peculiar influence with Governor Colquitt? A. I did not, sir.

Q. Did you say or do anything to leave the impression on his mind that you had that kind of influence with Governor Colquitt—that you could procure the indorsement when no one else could? A. I did not, sir.

Q. Did you say to him that no one else could get the indorsement but you? A. I did not. I told him that I had matured a plan that I thought would bring it.

Q. There was something said in your statement by you, and also by Judge Hoyt—when you made this agreement, or contract—that you wanted it in writing in order that you might show it to a friend who was interested with you. Who was that friend? A. D P Hill.

Q. You stated in the beginning that he was connected with you in the matter; but I don't believe you stated who the friend was when you asked him to put it in writing? A. He was the man.

Q. Mr. Morrill stated that you went to his house on one occasion and stated to him that you thought he, Morrill, had an impression that you knew that Governor Colquitt was about to indorse or would likely indorse the bonds of that R R Co, and that he, Morrill, thought you were trying to take advantage of that knowledge on your part and make something out of it, speculate on your knowledge, and that you said to him that was not true, that the bonds never could be indorsed, and never would be indorsed until you were employed? Did you say that? A. I made no such statement.

Q. Did you say anything like it? A. Nothing of the kind.

Q. Have you stated to the committee all that you did say on that occasion to him? A. Yes, sir; I think about all touching this business.

Q. He further stated that in one of your interviews you stated there was a big man, and held a big office, poor as Job's turkey, he did not expect to hold the office again and was going to make all he could out of it? Did you say that? A. I did not.

Q. Did you say anything like that? A. Nothing of the kind.

Q. Did you say anything that could be distorted into it? A. I did not.

Q. Did you make any reference to an old man in the conversation? A. I did not.

Q. Did you make any reference to a man holding a high office? A. I did not—none whatever.

Q. He stated further, Mr Murphy, that when you went and demanded the money, in pursuance of your agreement with him, that he asked you why you were in such a hurry, and you said so far as you yourself were concerned it made no difference—that is the delay for a short time made no difference—but the old man was going off, and was hard up, and had to have the money? A. I made no such statement. I told him there was another party interested with me, and that he wanted the money.

Q. Did you tell him who the other party was? A. I did not mention it.

Q. Who was the other party? A. Colonel D P Hill.

Q. Was he the men referred to? A. Yes, sir.

Q. Did you say anything about the old man going off that night? A. I did not—nothing of the kind.

Q. Mr Murphy, did Governor Colquitt know at any time after you were engaged by Mr Morrill to represent the case of the Northeastern Georgia railroad company in its application for the indorsement of its bonds, that you were employed by the rolling-mill company to procure this indorsement? A. I told the governor that I was interested in the matter.

Q. Did you explain to him how? A. I did not, but intended to convey the idea that I was interested in that way.

Q. In what way? A. For a consideration—that was my idea.

Q. Did he know to what extent you were interested? A. I did not mention any amount, or any fee. I simply stated to him, "Governor, I am interested in this matter," meaning, of course, that I was interested in a money way. That was my meaning.

Q. Did Governor Colquitt have any interest in your fee, either directly or indirectly? A. None whatever.

Q. Did he ever get any benefit from it? A. No.

Q. Did you ever say to anybody that he was interested? A. No.

Q. Intimate that he was? A. No.

Q. I understand you to say that you never induced Mr Morrill to believe that you had an influence over Governor Colquitt that would enable you to get this indorsement when no one else could get it? A. I never did, sir.

Q. Said nothing of that kind to him? A. No, sir.

Q. Did not insinuate anything of that kind? A. Nothing, sir.

Mr. Preston. Mr. Murphy, are you a practicing attorney? Were you at the time you made this transaction? A, No, sir.

Q. Pay no tax as an attorney? A. No, sir.

Q. Did you represent to Mr Morrill that you were in the habit or taking cases of this sort for fees? A. No, sir; I did not.

Q. Did you first approach them, or they you, on this subject? A. I think I approached him, sir.

Q. Did you offer to attend to this matter as an attorney at law? A. I do not know that I did. I think I remarked—I am certain that I made the remark—that I was a lawyer, had been admitted to the bar, and had practiced law.

Q. Mr Murphy, did you tell them, did you tell Mr Morrill, or anybody connected with his company, that you could accomplish what Mr Hill could not accomplish? Did you not know that Mr Hill was employed by this company at the time you approached them? A. I do not think I did.

Q. Did you not tell them, or Mr Morrill, or anybody, that you could do what nobody else could do, or in substance that you were the only man that could get these bonds signed? A. I certainly did not.

Q. Did you not induce them, or endeavor to make them believe that you were the only man who could get this matter straight? A. No, sir; the only thing I said to Mr Morrill was that I had matured a plan by which I thought I could succeed, and my own idea was that Mr Alexander had told him of that idea of my plans, or the plans as suggested to me by him, that was the suggestion he gave me, as I stated before. I spoke of being a member of the legislature and being satisfied that it was the intention of the legislature that this road should receive the state's indorsement. And when Alexander came back to me, in three or four days afterwards, he remarked, as I before stated: "If you put that in shape," was his expression, "and put that before the governor and get these bonds indorsed. I think you can get $10,000 or $15,000," and he seemed to have very great interest himself that it should be done, and gave as a reason that he would collect the sum due himself and Mr Grant from that road.

Mr Preston. As I understand your testimony, you made an argument to Governor Colquitt. This is as I understand. A. Yes, sir.

Q. You referred the statements of Mr Bacon and Colonel Simmons to him? A. Yes, sir.

Q. Got General Lawton and others to see him on the subject? A. Myself and Carlton did. I got also Mr D P Hill to go to see him, and Judge James Jackson.

Q. Did Judge James Jackson say anything for you on the subject? A. After I had got this paper. I am not certain whether I showed Judge Jackson this paper, but I either showed it to him or told him the contents. he was down in the treasurer's office, Judge Jackson was, and I insisted on asking him to go up and see the governor and talk with him about it, and he said he had been. "Well," said I, "go again." Said I, "I have put in some strong papers there, and I would like you would go now and see if you can't do something further with him."

Q. Mr Murphy, those are the things you did. What else did you do, now, to induce the governor to sign those bonds? Who else did you get to go to see him? A. I do not remember. I got everybody I could.

Q. Brought all the influences to bear you could, legitimately? A. Yes, sir.

Q. Did all of these gentlemen, or any of them, know that you were to receive $8,000 for your services. A. I have no idea they did, sir.

Q. Did you tell any of them that you were to receive $8,000? A. I do not think I did, except Mr Hill. I told Mr Hill.

Q. Did you tell any of them why you were so interested in the matter? A. I do not think I did.

Q. Did any one ask you why you were making efforts to have these bonds indorsed? A. No one.

Q. Did not Judge Jackson? A. I think that was accounted for very readily when I was with Carlton. That was one of my objects in having Carlton along.

Q. Then nobody knew what you were to obtain for your services? A. Mr Pike Hill knew. I think that was all.

Q. Did Mr Pike Hill get any of that money? A. He did, sir.

Q. How much? A. Five per cent.

Q. Of that fee? A. Yes, sir. That was my agreement with him, upon my first interview, that I would give him five per cent., as I was then thinking that there was a probability of getting $15,000, as Mr Alexander had indicated; but at any rate he was to get five per cent. of the amount I did receive; that he was to aid, not to go out of the city. I was to do the work off.

Q. Then he got $400? A. Yes, sir; he did.

Q. You paid that much? A. Yes, sir.

Q. Did anybody else receive any money? A. No money at all, sir; none at all, sir.

Q. You received all the balance? A. Yes, sir.

Q. Did you have frequent interviews with Governor Colquitt on this subject? A. Yes, sir.

Q. Did not Governor Colquitt know that you had a money consideration for your services in this matter before he signed these bonds? A. Well, sir, that was the expression I think I used to him, that I had an interest in the matter.

Q. Didn't he know how much? A. No, sir; he did not.

Q. Was he not informed by you that it was a considerable sum? A. No, sir.

Q. Did you tell him that you were interested in a small way, or in a considerable amount? A. That was all I said.

Q. That you were just simply interested? A. Yes, sir; I think that was my remark.

Q. Mr Morrill testifies and Mr Goodnow states that Morrill stated, in a conversation between Mr Hill, Morrill and himself, that you and Governor Colquitt were in the treasurer's office in a close conversation, and he came in and saw you, and Governor Colquitt and you appeared to be somewhat confused, and he left. Did you see Mr Morrill then? A. No, sir; I do not remember any occurrence of that kind.

Q. You heard him testify the other night? A. Yes, sir. Governor Colquitt is frequently in the treasury.

Q. That was about the time this transaction was being completed or executed? A. I do not remember any move of that sort on the part of Mr Morrill. He frequently comes in there himself.

Q. To bring this matter down to a point, Mr Murphy, I will ask you the plain question. State to this committee whether Governor Colquitt, so far as you know, had any knowledge before he signed these bonds, that you were to get a fee, and whether you endeavored to obtain the signing of these bonds by Governor Colquitt by the use of money or anything of the kind? A. It was clearly my intention to indicate to him that I did have a fee in the case.

Q. I understand; but the question I ask is, did you intimate to Governor Colquitt, or to anybody for him, or any friend of Governor Colquitt's, or anybody for Governor Colquitt, that they could get any part of this money in the event those bonds were signed? A. Never; never.

Q. Mr Murphy, did I understand you, in answer to Judge Hall's question, to say that you never used the term "old man," the phrase "old man," at all in connection with this transaction? A. No, sir; I never used any language of that sort.

Q. Well, now, I will ask you. You say that Governor Colquitt did know that you were to receive a consideration—some money—for getting these bonds signed? A. I intended him to so understand.

Q. I will ask you if you do not know that you made the impression on Governor Colquitt's mind, and if he did not have the impression on his mind, that you were to receive a considerable sum of money in the event you succeeded in getting the bonds signed? A. I do not know that he had any right to draw that conclusion.

Q. Have you and Governor Colquitt been very intimate since you have been in the treasurer's office here? A. Yes sir; I think so.

Q. Have you been very particular friends? A. I do not know how he has been on his part; I have always been a very particular friend to him.

Q. Did you not confide as much to him as you did in any other man in this capitol? A. I certainly had as much confidence in him as in any other man.

Q. Did not you speak as freely to him about your private affairs, as well as affairs connected with your official duties, as you did with anybody else about the capitol? A. No, sir; I don't think I did. I spoke more freely to Mr Renfroe.

Q. After you had obtained your money, did you tell Governor Colquitt that you had it? A. Yes, sir.

Q. Talk with him about it? A. I do not know that I talked with him about it. I told various parties that I had. I told one or two, and suppose fifty asked me.

Q. Did Governor Colquitt get any of that money? A. He did not, sir.

Q. Didn't he know anything about the money? Was there any understanding in any way whatever that he was to have any of it, or anybody for him? A. None whatever.

Q. Then I understand you to say about that transaction, that the only man that received any money at all, except yourself, was Mr D P Hill whom you consulted in the matter? A. Yes; that is what I say.

Q. Did you say in that conversation that there were other parties, or another party interested? A. I said another party.

Q. Did not say other parties? A. No, sir.

Q. Did Mr D P Hill leave the city about the time, or night you got this money? A. I don't know, sir.

Q. Do you know whether Governor Colquitt left or not? A. I do not.

Q. So far as you know, Mr Murphy, Governor Colquitt was not at all influenced by anything that they were to pay you, or was not influenced by the money that you were to receive, to sign these bonds? A. How is that, sir?

Q. So far as you know, Governor Colquitt's signing those bonds had nothing to do with your fee, nor with your transaction with those parties, only so far as you brought to bear upon him the legal influence of Mr Bacon and others? A. That was the thing that I brought to bear upon him, and not any money power.

Mr Fort. Mr Murphy, you say that you informed the governor that you were interested in this matter. Was that explanatory of your zeal in behalf of this indorsement, or for what purpose was it? A. No, sir; my idea was on that point, that I was interested in a moneyed way, and I did not want to take any advantage of him. I was willing for him to know that. That was my idea.

Q. Your idea was to have the governor understand—A. My position in the matter.

Q. And explain the zeal you had manifested in it as well. You say, or to show that you were an interested party, and that he must pay that attention to your statement that he would to any interested party? A. That was my idea.

Q. Did Mr Renfroe, the treasurer, know anything about this money transaction? A. No, sir.

Q. About your fee? A. He did not.

Mr Cox. How long did it take to sign up these bonds and coupons? A. I really do not know, Mr Cox. I think Mr Renfroe—I can only speak for him—signed up the coupons. Governor Colquitt signed up the bonds up here.

Q. When did the signing commence? A. I do not remember the date. Mr Renfroe took the bonds out to his house, I remember, and worked on them night and day—so he said. He did not come to the office at all.

Q. Your contract was dated the tenth. A. Yes, sir.

Q. This last one? A. Yes, sir.

Q. How long after that contract before you received the money? A. Received the money on the 23d, I think, sir.

Q. How many days before you received the money had you discovered that the bonds would be signed? A. That the bonds would be signed?

Q. Yes. A. Well, I do not remember about that, sir. I think that I have investigated that matter, and the order was passed on the 17th.

Q. On the 17th? A. I think so.

Q. So really your first contract was made about the 5th? A. I think so, sir.

Q. You said from three to five days, you thought, your supplemental contract was made? A. Yes, sir.

Q. The order was passed, then, you say, on what date? A. I don't know that to be so. I just simply inquired here about that, when this thing came up, and I understand the order was passed on the 17th, but I don't know of my own knowledge about that. I have never seen the order, and I do not know.

Q. About 12 days after this first contract. Did you demand the money the first day the order was granted? A. No, sir; did not demand the money until the bonds were delivered according to contract.

Q. Was any of this money delivered before the bonds were signed? A. No, sir.

Q. Any of the coupons? A. Yes, sir. I think the coupons are signed generally before the bonds are signed. That is the general rule.

Q. Is that the usual rule to to sign up the coupons before the bonds? A. Yes, sir.

Q. Did the treasurer proceed to sign these coupons before the executive order was passed? A. No, sir; that is my understanding.

Q. You do not know how long it took him? A. My idea is, as I said before, I know that he took the bonds out to his house and worked on them night and day. I think he was some two or three days signing them. I think he was two or three days, probably three days. I think I heard him say he was three days at it.

Q. Had you done anything before this last contract was signed? A. That is what I remarked, that I thought Mr Lester and Lawton and Mercer came here about the time that I was waiting for Carlton and fixing to get off.

Q. But before the time this last contract was signed you did nothing but to see what parties came to this town? A. I think that is true.

Q. And the next thing you did was to go to Macon with Dr Carlton? A. I think it is, sir.

Q. And you got Bacon's opinion? A. Yes, sir.

Q. Who else's opinion did you get there? A. Pierce's and Simmons's.

Q. You got Pierce's, Simmons's and Bacon's, at Macon? A. Yes, sir.

Q. Where else did you go? A. We came back here, intending to go to Dalton. We found Mr Trammell here, and we got his indorsement here.

Q. Then you got Bacon's, Simmons's, Pierce's, and Trammell's? A. Yes, sir.

Q. Well, now, who else's? A. I believe that is all on that paper, sir.

Q. That is what you did? A. Yes, sir.

Q. What else did you do? A. Well, sir, I sent all the legal friends that I could muster up to the governor.

Q. Such as you saw here? A. Yes, sir.

Q. Any one else, save what you saw here? A. Yes, sir; parties coming in here.

Q. But they were parties that you met here? A. Yes, sir; that is true. I also wrote several letters; one to Henry D McDaniel, and Dr Carlton wrote a good many letters to different parties.

Q. To whom did you write yourself? A. I did not write to any one.

Q. Wrote to nobody? A. No, sir.

Q. What was the nature of the argument you made to Governor Colquitt? A. It was on the line of that document.

Q. What line? A. On the line of this document as to the intention of the law-making power that withdrew the state aid from the railroads.

Q. That it excepted this road? A. As I said before: When Mr Lester raised that point about the new constitution shutting off this privilege of indorsing, I thought that the most serious thing if any. We went to Colonel D P Hill and spoke to him about that, and he said he would examine the question himself and submit an argument on that line. He did so, but under the provision clause of the new constitution, the same vested-rights clause, they came to the conclusion that the governor was not shut off from signing—making the indorsement.

Q. Did you present that argument? A. I presented that thing to Governor Colquitt himself.

Q. I didn't say, "Did you Present that thing?" Did you present that argument to him? A. I did, sir.

Q. So then your services consisted in seeing Bacon, Pierce, Simmons and Trammell, and presenting an argument. A. And as many others as I could.

Q. And sending others to him, that you saw in Atlanta? A. Yes, sir.

Q. And making that argument? A. Yes, sir.

Q. Those were your services? A. Yes, sir.

Q. Mr Preston. Do you believe that Governor Colquitt was influenced in any degree by his knowledge that you were to receive $8,000, or a large consideration, in the event he signed those bonds? Do you believe Governor Colquitt was induced to sign those bonds, in any degree, by his knowledge that you were interested in the way that you have stated? A. I do not believe anything of the kind.

Q. You do not believe that? A. No, sir.

Q. I would like to ask a question. I am not as familiar with it as I desire, but it has been called to my attention; I would like to ask the question—Did you ever have in your possession the original charter, the manuscript, of this company? A. No, sir.

Q. Did you ever see it? A. No, sir; I do not think I did.

Q. Do you know of your own knowledge that Governor Colquitt ever saw it? A. No, sir; I do not.

Q. Do you know, or have you heard any one say, that it differs in its provisions from the act itself, as it is printed in the statute book, in the acts of the legislature? A. How is that question?

Q. Do you know, or have you heard any one say, that that original manuscript differs from the act itself, as printed in the pamphlet or acts of the legislature of that session when it was passed? A. No, sir; I do not know that I have.

Q. You have never heard anything on that subject? You did not hear anything during this whole transaction? You heard nothing of that sort—that there was a variance between the original manuscript and the act itself? A. No, sir; I do not think I did.

Q. As printed, I mean? A. No, sir; I do not think I did.

Mr Northern. Dr Carlton wrote to Major McDaniel? A. Yes, sir.

Q. Did he get a reply from him? A. I do not know whether he did or not. We did not present anything from him.

Q. You say he wrote to other parties? A. He and I together. He told me he did.

Q. Did he get any reply? A. I do not know.

Q. He did not show you any reply? A. No, sir.

Q. Did he make an argument before Governor Colquitt? Did you take these gentlemen with you whose opinion you wanted, or did you go alone? A. Which?

Q. You say you carried General Lawton? A. I did not say that I carried General Lawton. I said that General Lawton went at the suggestion of Dr. Carlton, and I suggested to Carlton to get him.

Q. You did not accompany him? A. No, sir. I did not, nor Carlton did not.

Q. Did you go with any gentleman who went to the governor? A. No, sir; I did not.

Q. And when you went to the governor, you went alone? A. Yes, sir; I merely requested, when I met up with a gentleman, "I would like you to go up and talk with the governor on this subject."

Q. When you made this argument you went alone? A. Yes, sir.

Q. Was that in his office? A. Yes, sir.

Q. Where was Dr. Carlton then? A. Myself and Carlton came together often.

Q. He came with you? A. Yes, sir.

Q. And several times you came alone? A. Oh, yes; I came a good many times. Very often, too, I paid a social visit, not on that business.

Q. Paid whom? A. Governor Colquitt.

Mr. Cox. Mr. Murphy, what did the governor reply to your argument? A. Well, sir, I thought my conversation with the governor—you ought to know my impression——

Q. His reply was what I asked you. Of course, I want your best recollection of his reply? A. Well, sometimes it would be one thing and sometimes another—generally sort o' jocular. Well, he would say that he was pressed mighty tight on this business, or something of that sort; but he would never indicate as to whether he was going to do it or not.

Q. What was the first indication that you had that these bonds were to be signed? A. Well, sir, I think the first indication was that he said he had decided to sign them.

Q. Whom did he tell so? A. I don't know. He told me afterwards that he had decided to sign them, and I think he told Carlton he had decided to sign them.

Q. The point I am after is this—did he first tell you that he would sign them? A. I do not know about that.

Q. When you first heard that he had signed them, was it from him or some one else, or that he intended to sign them? A. I think it was from somebody else.

Q. Somebody else? A. I think so.

Mr. Preston. I will ask you if you did not rather importune the governor upon the idea of being a friend, upon the idea that it would be the making of you—that is that it would make you a large sum of money, and that you would be glad if he could possibly put his signature to these bonds as a matter of favor to you? Did not you say something of that kind to him? A. I would not presume to say that to him.

Q. I did not presume you would, but I asked the question of you? A. I did not.

Q. You intimated nothing of that kind? A. No, sir.

Mr. Humber. About the discrepancy between the title to the original charter to this company, and the printed copy, as it is now in the acts of the legislature of that session. Don't you recollect, Mr. Murphy, seeing the papers at the time of the discovery of this mistake, and that it had a great deal to do with inducing the governor to sign these bonds, that that was brought to his notice by you or Doctor Carlton? A. Since you have mentioned it, I am inclined to think that Carlton did make some discovery of that kind; I am certain that I did not, but since you mention it, I think Carlton told me that he did make a discovery of that sort.

Q. That there was a discrepancy found between the printed bill and original copy as passed by the legislature. A. I am not clear as to what he said, but on that subject I think there was something said by Carlton.

Q. You never saw the copy? A. I did not. I have never seen it since, nor before it was signed.

Mr Fort. You spoke of Dr Carlton's having been here in Atlanta, writing certain letters, performing certain services. A. No; I did not speak of his performing services.

Q. You say he went with you to Macon. A. Yes, sir.

Q. You say he induced men to come up here? A. Yes, sir.

Q. Was that at your instance and request? A. It was. I telegraphed for him for that purpose, and he agreed to do nothing—to make no move except under my direction.

Q. He was your agent, then, to accomplish this purpose? A. Well, sir, as I said before, the reason I selected Carlton was that he was a member of the legislature, and it was at his instance that this supplementary resolution was passed. I remember that distinctly, and Carlton had a very great interest in that road for no other reason than I have spoken of. Besides, Carlton was a very warm personal friend of mine, and he had political aspirations up there that he thought would further his interest in that line to be engaged in this thing.

Q. I understood you to state that Dr Carlton was acting for you during that time? A. I did.

Q. You thought it might benefit him. But his particular conduct was done at your instance, solicitation and request? A. Undoubtedly, sir.

Mr Glenn. Mr Murphy, I want you to get it distinctly before the committee for what purpose Colonel D P Hill was employed? A. Well, sir, Colonel D P Hill was employed for giving me any legal advice that I might call upon him for, that I might need during this business for this end, etc., and to give me the benefit of his general information as to the best plan to accomplish this thing.

Q. Well, he was not, under his contract with you, to leave the city? A. No, sir.

Q. He was simply consulting with and advising you, and suggesting to you? A. I intended to report to him my progress, and then if he had any further suggestions to make that would further this, the presentation of this thing in the proper way to the governor, he was to do that.

Q. Did you keep him posted as to the movements you made? A. I did, sir.

Q. Why did you select Mr D P Hill? A. Well, sir, I selected Mr. Hill because he has been a friend of mine for years. I read law under him.

Q. Where at? A. In Hamilton before the war.

Q. Haven't you and Colonel D P Hill been very intimate friends since your boyhood? A. As intimate as two men could be.

Q. State whether or not you don't always consult Mr. Hill in matters of importance about your own affairs? A. I do, sir; more than anybody else.

Q. Now, Mr Murphy, he is your confidential friend—your counsel? A. Yes, sir.

Q. I will ask you to state to the committee if you had confidence, and did have at that time, in Colonel D P Hill's ability as a lawyer, and also in his—if I may use the term—shrewdness, and as a manager of men? Yes, sir, I did; and I had further evidence that I believed his friendship to me was such that he would exercise extreme diligence to further me in this thing.

Q. Isn't he considered, and hasn't he been for several years, as a prominent politician and public man in Georgia, who knows people all over the state? A. I think so, sir. When he was down in my section of the state, he was a very prominent politician.

Q. Was he not in the senate before the war? A. Yes, sir.

Q. Now, Mr Murphy, one more question: when you stated to Mr Morrill that another person was connected with it in any shape or form, to whom did you allude? A. When I said that another party was interested?

Q. Yes, sir. A. Why, Mr D P Hill.

Q. Did you allude to any other person except Mr D P Hill? A. I did not.

Q. Mr Morrill stated last night that you showed him a paper and said you did not know how he could get over that; do you remember doing that? A. I showed him this paper.

Q. Which paper? A. The one I got from Bacon; and I remarked to him that I thought this would be very strong by way of securing the indorsement.

Q. You meant the effect it would have upon the governor? A. Yes, sir; I showed it to Judge Hoyt and to Mr. Patterson.

Q. Senator Hill stated last night or yesterday, when he was on the stand, that Governor Colquitt seemed to need fortifying. Do you remember that? A. Yes, sir.

Q. By the opinions of public men, and that was the reason he got their opinion—General Toombs's Governor Brown's and others—and sent to him, I will get you to state to the committee whether you thought he needed any fortifying. A. I thought Governor Colquitt inclined to signing these bonds; I think that he believed that it was right to sign them; he had remarked to me, on one occasion about Governor Smith's not having signed them, and Attorney-General Hammond having given a decision against them.

Q. His opinion you mean? A. His opinion, and that made it rather a difficult matter for him.

Q. With him? A. With him to get over that, that these gentlemen having been against this indorsement.

Q. He did not want to overrule them after he succeeded Governor Smith by making the indorsement? A. But still I thought that I could discover that he felt it was right that he should sign them.

Q. And you came to the same conclusion with Senator Hill, that he needed fortifying? A. I thought he needed fortifying. I didn't know whether Senator Hill said that or not. Yes, I thought that was very patent.

Q. That the Governor wanted something to counterbalance Governor Smith's and Attorney-General Hammond's opinions? A. Yes; the idea was that all the opposition would attack him for signing the bonds. That was my idea.

Q. I will ask you to state if it was not your impression that Governor Colquitt's sense of right and justice to this Northeastern railroad company did not require at the hands of the state a compliance with Governor Smith's letter to them, in which Governor Smith stated he would indorse them? A. I thought I discovered that it was very evident.

Mr. Cox. I want to suggest that there is one point that I think has been skipped, that Mr Murphy's evidence should be here taken upon. It was stated here something about a newspaper article? A. That was published, I think, since the signing of the bonds in October.

Q. I will get you to state, Mr Murphy, what connection you had with Governor Colquitt in getting up a newspaper article of that kind, if any? A. What newspaper article?

Mr. Glenn. The one headed "A Contested Fee."

Mr. Hall. In which appears a card from you. A. I wrote the card.

Mr. Cox. You wrote it yourself? A. I did.

Q. You wrote the card? A. I wrote my card; I had nothing to do with the piece.

Q. Did Governor Colquitt have anything to do with the card or piece? A. I don't know. He certainly had nothing to do with the card. I don't know whether he had anything to do with the piece or not.

Q. Was there any consultation between you and Governor Colquitt as to the piece? A. No, sir. I heard Mr Grady talking something about giving his version of it, but I had nothing to do with the composition of that thing that he was getting up, as I understood it was gratuitous on the part of Mr Grady.

Q. Was there any consultation or understanding between you and Governor Colquitt as to the presentation of that side of the case? A. No, sir.

Q. Or a version of it? A. No, sir.

Governor Colquitt. He refers to the piece, I have no doubt, in THE CONSTITUTION. He did speak to me about his card. He will bear that in mind—about his card in which he made statements in which I was interested—I dont want him to be confused. A. I stated that he had nothing to do with the writing of my card.

Q. No, I did not mean that I did not want it to be construed that I had not seen the card itself. A. Mr Grady was up here talking around about the matter.

Q. Mr Hall. Senator Hill stated the other day, giving the reason which induced him to publish his card, that was given in evidence, that he was informed that this piece which appeared in THE CONSTITUTION that Mr. Murphy, yourself, and Governor Colquitt had a private interview here somewhere, and that article in which appeared your card, was prepared after that interview, or it was prepared previously and sanctioned by you. A. There was no interview.

Q. Did you approve of either before they were published? A. There was no interview in which I expressed any approval or disapproval. I simply let that stand by itself. I had nothing to do with his piece, nor the composition of his piece, and I did not understand my card to be a part of his production or of his publication.

Mr Cox. Was this first piece read over to you before it was published? A. Grady was in here, but it was never read to me for approval.

Q. Was it read to Governor Colquitt in your presence? A. As I say, Mr Grady was up here talking around what he proposed to do.

Q. Was that card read over to Governor Colquitt in your presence for approval? A. My card?

Q. No; Grady's piece, in connection with your card. Was it read over to Governor Colquitt for approval in your presence before it was published? Did Mr Grady read it over to Governor Colquitt in your presence? A. I think Grady was reading it over here. I don't know whether it was for his approval. There were a good many gentlemen here.

Q. Did you ask Governor Colquitt for approval? A. No, sir.

Q. Did you object to the tone or the manner of the article? A. Well, sir, there were several inaccuracies in it.

Q. Did you state that to him? A. I did.

Q. That was before it was published, too. A. Yes, sir.

Mr. Glenn. I will ask you if you did not try to keep Grady from publishing anything about it? A. I did tell him so far as I was concerned I did not want anything about me in the papers.

Q. The article gave or pretended to give an account of a personal rencountre you had had with Senator Hill on the streets? A. Oh! yes; and he said in these that Senator Hill had denounced me and various things, and I told Grady he may have denounced me somewhere else, but he did not denounce me to my face.

Q. Didn't you disapprove of the thing and ask Mr. Grady not to publish it so far as you are concerned? A. I did undoubtedly, and told him what I had to write, I would write over my own signature.

Q. Was not the reason you wrote the card that Grady was going to publish the other? A. That was part of it—yes, sir.

Q. You did not want it published at all? A. No; I had no interest in Grady's production at all.

Mr. Hammond. How long before the making of this second, or supplementary contract, before you found out, or supposed you had found out, the bent of the Governor's mind in regard to indorsing these bonds? A. How is that?

Q. How long before the making of this contract was it before you discovered, or supposed you had discovered, the bent of the Governor's mind in regard to indorsing these bonds? A. I don't know the period when he came to that conclusion.

Q. About when? A. I don't know that I can state, but I thought that as he was being reinforced by indorsements, he became more and more inclined.

Q. When did you first discover the bent of his mind in regard to the signing? A. I cannot state that.

Q. Cannot tell how long it was before the making of this contract? A. No, sir; I cannot; I never arrived at this point——

Q. It was before the making of this contract—A. That I arrived at the point that he would sign them?

Q. No, before you discovered the bent of the Governor's mind? A. As I tell you, I thought that as the more reinforcements were brought to bear upon him—

Q. I do not think you understand. About how long was it before the making of this supplementary contract, that you found reasons to believe that the Governor would sign the bonds, and that his mind was inclined that way? A. Well, sir, he was being pressed very heavily, or urged to sign them by a good many gentlemen along about the last of December, I think, and during the month of December, I think, he was being pressed very heavily upon this idea, that there was a suit against the road.

Q. Yes; I do not want that, Mr Murphy. Do you say, then, that it was along towards the last of December, 1877, that you discovered that the governor was inclined to indorse the bonds? A. Well, sir, I think he was more inclined then than at any other time, but cannot say that I ever arrived at the point in my mind that I thought he was going to sign them. I cannot say that.

Q. How long before the passing of the executive order for the signing of these bonds was it that you became satisfied that he would sign the bonds? A. How long before he passed the executive order?

Q. Yes, sir. A. I don't think I became satisfied at all that he would do it before he passed the order.

Q. You said in answer to the previous question, asked by some other member of the committee, I belive, that you learned or heard from somebody that the governor had said he would sign the bonds. A. No, sir; I think you are mistaken.

Q. That he had made up his mind to sign the bonds? A. No, sir. I said that I learned that the executive order was passed on the 17th. That is what I said.

Mr. Humber. Who did you learn that from? A. I don't remember. Some one about the building here.

Q. Had you any knowledge or reason to believe that the executive order would be passed before it was actually done? A. No, sir; further than I believed that he was inclined to sign them—that is all; but I did not have any knoweldge that it would be done.

Q. Then, when you went to Mr Morrill to make the original contract, and also at the time when the supplementary contract was made, you were pretty well satisfied that the governor was inclined to sign the bonds? A. Well, no, sir; I can't say that. I say that he was being pressed pretty heavily to do so, and I thought for sometime before that he was inclined that it was right to sign them, but I didn't know what were the causes of his hesitation further than I have stated.

Q. Did you learn from the governor or otherwise that Mr Benjamin H Hill had made a legal argument before him for the purpose? A. No, sir; I didn't know Senator Hill was in the case. Well, I believe I heard Carlton say so. That is all I know of Mr Hill. I heard Carlton say that he met Senator Hill on the steps the evening before he went to Washington city, and that Senator Hill told him that he had just been up and made his final argument to Governor Colquitt, and that he gave it up, that he was satisfied he would not sign the bonds.

Q. Dr Carlton told you that? A. Yes, sir. That was the evening before he started to Washington city. That is hearsay. I don't know of my own knowledge.

Mr Hammond. Hearsay from Dr Carlton? A. Yes, sir.

Q. Then you entered into this arrangement in carrying out your own plan in getting the indorsement? A. Yes, sir.

Q. How long before that? A. Well, it was not long before—I don't remember, but not a great while before.

Q. Mr Murphy, will you be good enough to give the committee the name or names of any prominent lawyer who visited Governor Colquitt at your instance, in order to press this matter upon him, besides those you have named. A. Well, sir, I don't believe I now remember.

Q. Residing in Atlanta, or elsewhere? A. No others than I have given.

Q. You mentioned Judge Jackson? A. Yes, sir.

Q. And General Lawton? A. Yes, sir; I think Carlton sent Lawton. It was understood that me and Carlton were working together. Carlton spoke to General Lawton; I did not.

Q. Mr. Murphy, at the time you presented this paper to Governor Colquitt containing the signatures of these gentlemen from Macon, did or did not Governor Colquitt give you to understand that he had already received the opinions of some of these gentlemen upon this question—some of those gentlemen whose names you have mentioned. A. He did not, but he pronounced that a very strong document. He did not make any remark of that sort to me.

Q. Will you explain to the committee, if you can, the reason of the haste by the treasurer in signing those coupons? You say he took the coupons to his house and worked upon them three days and nights? A. That was occasioned by the anxiety of Dr Carlton. My recollection is that there were some liens upon the road for grading and laying the iron, and I think they had to be removed before the thing could be accomplished—before the indorsement could be made. Then, after the order had been passed (that is my idea about it—what I gathered,) and Dr. Carlton was in the city. He telegraphed, of course, to the authorities in Athens. Mr. Childs, and probably some others there, probably Mr. Irwin—I think Mr. Irwin was here, and Mr Moss. I think the president and directors of the road and Carlton were hurrying the thing up all the time to make the settlement here, and the treasurer took the bonds home, and left the office entirely.

Q. Did you use any personal effort with Mr. Renfroe to hurry up the signing of the bonds. A. No, sir; I don't think I did.

Q. Did not urge him to any unusual haste in the matter? A. I don't think so. I may have expressed Carlton's anxiety to have it done. I did not on my own account, however.

Q. Did you on Dr. Carlton's account? A. I don't think I did.

Q. You don't think you did at all? A. I don't think so, I think Carlton had more anxiety on that. I was not interested on that point. My contract, if you notice, did not require the bonds and coupons to be signed.

Q. It required the order to be passed? A. And the signing to commence. If it would have taken a month to sign them up, my contract would have been good until the 30th day of January.

Q. If I understand your testimony, several days elapsed between this supplementary contract, and the making of your demand upon Mr. Morrill for the money. How was that? A. The contract was dated the tenth and I demanded the money the 23d.

Q. Had you made no demand upon them before the date of this receipt here? A. No, sir; the money was in the hands of Mr Hoyt; I got the money from Mr Hoyt; I did not get the money from Mr. Morrill. Seven days from the making of this contract, before the executive order was given, I was informed about the executive order; I did not know of my own knowledge that it was passed on the 17th. Some one informed me, I think one of the secretaries, I think most likely Mr. Warren, I am not positive about that.

Q. Had you done anything towards carrying out your part in this agreement before the making of the supplementary contract? A. Yes, sir; I told you that it was my impression that myself and Carlton had seen these gentlemen from Savannah and talked with them. It was our intention to go to Savannah, but about the time he arrived here, I think they arrived here from Savannah. We expected to go to Macon and Savannah to see these three men (those were the three most prominent men), and others there. He and I had those men in our minds. All of them have been members of the legislature but General Lawton and he, and every prominent lawyer. We found those men here about the time we were ready to leave on this trip. My impression is, we talked with them, and I think Colonel Lester, as I stated, said he would write a letter upon that line. That is, of its being the intention of the legislature that this road ought to receive the state's indorsement, but he had a serious trouble on his mind as to whether or not the new constitution did not shut off this indorsement. While he did not examine the law, that was the thing that he was troubled about.

Q. Was the conversation with Mr. Lester before or after your contemplated trip to Macon? A. Before; that is my impression.

Q. Before? A. Yes, sir; it is my impression that it was before we went to Macon; I think that is the reason that detained us hear.

Q. Then, what you did in the way of carrying out part of this agreement before the 10th of January, consisted in this conversation with Mr Lester and others who were here from Savannah? A. Yes, sir.

Q. Nothing more? A. Yes, sir; that is all—about—

Mr. Hall. I want to ask two questions. You stated in the beginning of your narrative in connection with the procuring of the indorsement of the bonds of that railroad company, that Mr Thomas Alexander approached you. Do you know why he approached you on the subject. A. Yes, sir.

Q. Well, state the reasons of it. A. I did not state it that way; I stated that myself and Mr Alexander were partners in the convict lease.

Q. You were at that time connected in business? A. Yes, sir; myself and Mr Alexander and Mr W D Grant, and in that conversation we were talking about farming. We had a convict farm down here in Greene county, and Alexander gave his opinion that there was no money in farming with convicts, and we got off to public works. That is, when he mentioned about having money hung up in that road, and I gave him my opinion as to whether I thought the bonds ought to be indorsed and the reasons. That is how that thing got up.

Q. You say the treasurer signed the coupons to these bonds? A. Undoubtedly, always.

Q. Were not the railway bonds issued by the Northeastern railroad company indorsed by the governor, and the coupons signed by the treasurer? A. Well, now, I may be possibly mistaken about that. I know that the regular state bonds are. I think those are signed by the secretary and treasurer of the company. That is my idea.

Q. The treasurer countersigned, and the secretary of state countersigned your indorsements? A. I think you are right. I think the treasurer's name goes only once on these bonds.

Q. You do not say how the treasurer would sign them? A. I know the regular state bonds he has to sign every coupon.

Q. That is so. A. But since you mentioned about these being indorsed bonds, I think the treasurer only signs one time.

Mr Glenn. Let me call your attention. Mr Renfroe told me himself that the governor indorsed the bonds, but did not the treasurer indorse the coupons? A. To tell the truth, I did not get hold of those bonds at all.

Q. Didn't see them? A. I saw them, but only in bulk.

Q. Didn't examine them? A. I did not. He undoubtedly made some signature, but since you mentioned it I think he only signed each bond one time. I think the secretary of state signed it also.

Q. Mr Murphy, as to the actual services you rendered this company, did you have to pay for any counsel or advice other than you paid Mr D P Hill? A. I didn't sir; but my own expenses wherever I went. That is all the expense I was at.

Mr Fort. Did you pay Dr Carlton's expenses? A. I did not.

Mr Humber. Did Dr Carlton know of the fee you were to receive? A. He did not.

Mr. Hall. Do you recollect about the time that Senator Hill had an interview with Governor Colquitt, in which interview he stated to Governor Colquitt what Morrill had told him in reference to those representations to Mr. Morrill about the influence you had with Governor Colquitt, and the absolute necessity of employing you in order to get the bonds indorsed. And further, of your representations that an old man was interested in the matter, and had to have some money? A. I remember the time—not the date.

Q. How long was that interview before Governor Colquitt called on you to know about the report that Mr Hill had acquainted him with? A. Well, sir, I do not know whether it was in the evening or morning; I am not certain about that, but it was the same day.

Q. How happened you and Governor Colquitt to meet? A. He sent for me.

Q. Sent for you? A. Yes, sir.

Q. Told you what Mr. Hill had said to him? A. Yes, sir.

Q. Did he ask you in reference to the truth of that report? A. Yes, sir.

Q. What statement did you make to him in reference to that report? A. I told him that the statements were false and proposed to bring Mr. Morrill before him and prove it.

Q. Did you do that? A. I did.

Q. What did Mr. Morrill state when you carried him before Governor Colquitt? A. Well, sir, Mr Morrill was gone off north, and I think it was about the second day afterwards when I saw Morrill coming along. I was at the window in the room next to the street in the treasury, and I called him, and stated to him what had been stated to Governor Colquitt, the representations that had been made; I said that he should state as regarded my conduct in the matter, and told him I thought it was due me. Said I, you know that is not so—nothing of the sort, and I think it is due me, Morrill, that you should go and straighten the matter with the Governor. He said, "Certainly," and said "let me go down—I have just got back from a trip—let me go down and answer my mail, which has been accumulating for two weeks. I will work it off by twelve o'clock, and I will be here at twelve." He came back and went with me to Governor Colquitt and stated it to him. I had gone over to him about what Governor Colquitt said, what Mr Hill said, and Mr. Morrill stated to him just in general terms, "It's a damn lie."

Q. That is what he said to Governor Colquitt? A. Yes, sir.

Q. Did Governor Colquitt interrogate him specially in reference to the different statements that he represented that Mr. Hill said he had reported to him, that you had made to him—Morrill? A. I think so, sir, and Morrill went on to say, "Whoever says that Murphy connected with it directly or indirectly in any sense, or by innuendo in this affair lies, and he lies like hell." Says he, "I employed Mr. Murphy to do a certain work; he did it, and he did it to the satisfaction of all parties concerned, and he has got his money."

Q. You say now that Governor Colquitt called his attention specially to each point? A. I don't know about each point, unless you will name them.

Q. I will put them to you in this way. Mr Hill says that Mr. Morrill stated to him, that you said to him—Morrill—that there was an old man that was poor that held a big office, which he never expected to get again, and intended to make all he could out of it. Did Governor Colquitt ask him in reference to that? A. He did.

Q. Did he ask him in reference to any other statement which Mr. Hill says, Morrill told him, that you made at the time you received the money, that the old man was preparing, or had to leave that night, and that you must have the money for the purpose of paying him? Did he ask him about that? A. Yes, sir.

Q. Did he ask him about your representations, or those that Mr. Hill said that Morrill told him, and he represented to Morrill about your influence over the governor, that he could not get the indorsement or the indorsement could not be gotten unless you were employed? Did he ask him about that? A. Yes, sir; he covered that point.

Q. Covered all those points? A. Yes, sir.

Q. I understand you to say that Mr Morrill answered all those questions in the negative—denied the truth of those statments? A. He covered the whole by saying in general that any man that said I referred to the governor, directly or indirectly, in any sense, or by innuendo, lied, and he lied like hell. That was his expression.

Mr. Fort. Did you say anything like this to Mr Morrill at your Sunday evening interview which has been testified about: "Now, Mr Morrill, I know just what you are thinking about. You think that I have found out that the governor is going to sign those bonds, and knowing that, that I want to run ahead and make some money out of it. That is not so. I will be damned if he is going to sign any of them unless you pay me this money?" A. I could not have said that, Mr Fort, for he wrote me a note to meet him.

Q. Before you got that money? A. He wrote me a note to make me a proposition.

Q. Did you, in fact, say it or not? A. I did not.

Q. Or words to that effect? A. Nothing of the kind.

Q. I understood you to say in substance that you in December, or about that time, had learned or believed that the governor was personally inclined to indorse those bonds, that he was impressed by the failure of the previous administration to do so, and by the opinion of Attorney-General Hammond? A. No, sir; I did not put it that way.

Q. Let me go through the statements; if I am wrong you will give your answer that way. You believed that if you could fortify him against those opinions he would sign them? A. I said I thought he had been inclined; he was convinced in his own mind that it was right for the road to have the state's indorsements before. But that these pressures that had been made on him, and arguments by various parties from time to time, as they were made he became more inclined.

Q. And that he wanted to be reinforced against the adverse opinion of the attorney-general and the failure of the previous administration? A. The opposition generally to it.

Q. You thought if this could be accomplished, so his mind could be set at rest, he would indorse the bonds? A. Yes, sir.

Q. And your scheme was to accomplish that effect? A. By getting the indorsement.

Q. By getting these opinions? A. Yes, sir; by getting the opinions of members of the legislature that passed this bill.

Q. That is the way you proprosed to get the indorsement and the only way? A. I thought that the strongest way.

Q. You thought that was a way by which it could be done? A. I thought it was the strongest way.

(Mr Glenn asked if Mr Morrill made any statements about Mr Hill which were excluded as irrelevant.)

JUDGE S. B. HOYT, Sworn:

Mr. Hall. Were you connected with any bank of this city in the month of January, 1878? A. Yes, sir; I was president of the Atlanta Savings bank at that time.

Q. Did you ever see the original of which that purports to be a copy? (handing witness a paper) A. Yes, sir.

Q. Now, sir; will you give a history of that transaction, state why that contract was made, and why the application was made to you, to pay $8,000 in the event the governor should pass an order to indorse the bonds of the Northeastern railroad company and commence to sign the bonds and coupons. State the history of that transaction, and why it was you were connected with it on paper? A. A short time previous to the date of that contract—about the first of Jannary—Mr Murphy and Mr Morrill came into my office and stated that they wanted me to act as their mutual friend, to hold a contract that they were both interested in. It was a contract very much like this one. I don't remember whether I wrote that contract or not. I wrote this one. The first contract was signed by Perino Brown, as president of the Citizens' bank—no, by Mr Morrill, as president of the Citizens' bank, and Mr Brown, as cashier. That contract, or proposition—it would be more proper to call it a conditional certificate of deposit, something more like that than a contract—specified the same that this does, except that the indorsement was to be procured, or rather it was conditioned upon the indorsement of those bonds within ten days. That was the first contract. After the contract was signed up they both sat down there and told me what their understanding or agreement was. I don't remember which of them spoke about it, but they said that their understanding was that Mr Murphy was to do all that he could to get the bonds signed, and upon getting them signed that I was to get this money and pay it over to him. Mr Morrill had left. Mr Murphy detailed to me what was his plan of operation. He said he intended to procure the written opinion of the leading members of the legislature. I think he said the president of the senate and speaker of the house, and chairmen of the judiciary committees perhaps, and of the finance committees, and of the prominent members that that was what he thought would be more successful in procuring the indorsement of the governor.

After that Mr. Murphy came in and got me to let him have the contract—the original paper which I have been speaking of—not this paper but the one I am now speaking of. He said he wanted to show it to some one who was assisting him in the transaction. He did not tell me who that person was. I think he has told me since. I let him have it and he returned it. Some six or eight days—somewhere along there—after the signing of the paper that I have just spoken of, or the putting of that paper in my hands rather, they came in again and Mr Murphy stated that they had agreed to extend the time.

This last occasion upon which they called upon me was on the date of this paper, the 10th of January, 1878, and I sat down, and according to my recollection, copied off the other paper excepting the change of date, and that paper was signed by Mr Perino Brown as president, Mr Morrill having resigned, and Mr Brown having taken his place in the meantime, I think. That is my recollection about Mr Morrill, that he was at first signing as president of that bank. I am not positive about that, however. After the paper was signed and left with me, I heard nothing from him of the matter for sometime. I don't remember precisely how long. Mr Murphy came in again and showed me some of the opinions I think, (they might properly be called opinions,) of various members of the legislature, in which they stated that they were members of the legislature which passed the bill repealing the state aid and in which they gave their opinions as to what was the intention of the legislature in regard to the indorsement of the bonds by the governor, of the Northeastern railroad. Mr Murphy stated to me at the time that he did not think that the governor could resist that sort of showing. Then I heard nothing more of it until Mr Morrill directed me to pay the money over to Mr Murphy.

Then I went into the Citizen's bank, the paper being payable to me there, and got the money and handed it to Mr Murphy.

Q. Well, why was it, judge, that you thought that contract was made payable to you instead of directly to Mr. Murphy? A. It was not regarded as in the nature of a contract between them, but was intended to put the money in my hands—just the money—and it was afterwards that Mr Morrill stated that it was inconvenient for the bank to spare that much money even for that length of time.

Q. Was that arrangement made to cover up the transaction or in order that the money might be in place where it could be got when the contract was complied with between the rolling-mill company and Mr Murphy? A. In order simply that the money might be got at once when the conditions were complied with.

Q. Was that contract made with a view of cover ing the transaction between Mr Murphy and Mr Morrill? A. No, sir. Not the slightest idea that I ever heard of.

Q. Is that all you know, judge, in relation to this matter—the indorsement of the bonds? If there is anything else, please tell it? A. I don't know. I think it is.

Q. You don't know anything else yourself except your connection with this contract? A. Yes, sir. I just simply paid over the money. I will state, however, that there never was anything stated directly or indirectly to me that I believe indicated any sort of intention of any wrongful action on the part of anybody. It was regarded as a perfectly legitimate transaction. At least I did at the time, in every sense of the word. They discussed it—these gentlemen did. While we were there I gathered that there had been efforts made to procure the indorsement of the bonds, and Mr Murphy's idea about it, in this talk I speak of with him, was that he thought the course indicated was a much better course than the mere getting of mere opinions of prominent lawyers, because the governor would have more regard for the opinion of members of the legislature than the opinion of prominent lawyers. I think, sir, that is about all I know of my connection with the transaction.

Q. Judge Hoyt, did you ever have any conversation with Mr Morrill after this contract was made and completed? A. Frequently; yes.

Q. What did you gather from him? Was not Mr Murphy's employment by Mr Morrill? A. Mr Morrill always told me he had employed Mr Murphy as his attorney to procure the indorsement of these bonds.

Q. Did he ever say or intimate to you that he had ever employed Mr Murphy for the purpose of influencing Governor Colquitt on account of the influence he had with Governor Colquitt? A. No, sir. He never said anything of that sort.

Q. Have you had any talk with him since the public and the newspapers commenced talking about this matter? A. Yes, sir; I had an intimation from street rumor that Mr Morrill should have said that Mr Murphy intimated to him that some old man must have some money, or something of that sort. The first time I met Mr Morrill, after I had heard of it, I asked him if it was true, and he stated to me emphatically that it was not true; that he never had said anything of the kind.

Q. Did you have any further conversation with Mr Morrill about this thing, anything that he was reported to have said that Murphy said to him? A. No, sir; nothing but that.

Q. That is the only thing? A. Yes, sir.

Mr Glenn. Judge Hoyt, in this interview with Mr. Morrill after you heard these street rumors, didn't you tell him that you had heard that he had told Mr. Hill and others that Mr. Murphy had said there was an old man in a big office who was poor as a turkey, and wanted money, and all such things as that, that he had said that Murphy had said that to him. Didn't you call his attention to the rumor about these facts, and didn't he say to you that it was not true, that he never had said any such thing? A. I said to Mr Morrill that I had heard that he had said to Mr Hill that Mr Murphy had reported to Mr Morrill that an old man or some such expression of that kind, must have some money, and I asked Mr Morrill if he had said anything of that kind, and he said that he (Morrill) never did say anything of that kind.

Q. I will ask—did you ask him if Murphy had ever said anything of that kind to him? A. Yes, sir; that is what I asked him. I asked if Mr Murphy had ever said that to him—that an old man had to have some money—that I had heard as the street rumor that Murphy had said to Morrill at the time Murphy had done this work: I asked him if he had ever stated that thing to Mr Hill. I asked him if he had ever stated it to anybody else, and he said he had not.

Q. Did he say that Mr Murphy had said this to him? A. He said Murphy never had told him this.

Q. And he never told this to Mr Hill? A. That is what he stated to me.

Q. Mr Hill stated in his evidence when he came back here that he went to you and other men about it. Did you have any interviews with Senator Hill about this matter, after his return, and after this trouble got up? A. Yes, sir.

Q. What was the first interview you had with him about it? A. I never had but one, and that a very short one.

Q. When was that? A. As well as I remember it was in August last; I won't be positive, however, as to date. It was a short time before the suit Mr Hill brought against the rolling mill company. I think that is my recollection.

Q. A short time after or before? A. Before; before I stated, Mr Hill came into my office, the bank, and I invited him to take a seat and sit down there, and he said to me that he had come to me to "find out all about it," in a sort of bantering tone—pleasant way. I looked at him and said to him: "About what, Mr Hill?" Said he: "About this indorsement by the governor of the Northeast Georgia bonds." "Well," said I, "what about it?" "Well," said he, "I went up to the rolling-mill officials to try to get them to pay my fee and they would not pay it, because, as they said, they had already had to pay Mr Murphy $8,000, and they would therefore not pay me." Said he: "In investigating the matter, I find that you are the man that has got the money from the Citizens' bank, that was paid to Mr Murphy, and," said he, "I want you to just tell me all about it." "Well," said I, "Mr Hill, it has been some time since the transaction, and I have had so many moneyed transactions of one sort and another, that my memory is not at all distinct about it anyway, and, besides, I consider myself acting in a fiduciary capacity, as a banker, in this matter, as well as others of that character, and I don't think that I have any right to make any statement to you without the consent of the gentlemen with whom I had the transaction, and I decline to make any statement to you until I see them." He then said that it was very strange, he could not comprehend it; that he and others had been using considerable exertions to get the governor to indorse these bonds, and it was very strange that he could not be got to indorse them until after Mr Murphy's employment, and he did not know but what it was his duty as a public man to have the matter investigated. I remarked to him that he would probably be taking a big contract on himself if he undertook that. He then said that he believed he would go to the governor and try to get him (the governor) to try to make Mr Murphy pay the money back to the rolling-mill, and if he did that he could get his fee, and in addition to that, stated to me that he thought I ought to go and see Mr Murphy and make him do it.

Q. Make him pay back the money? A. Yes, sir, make him pay the money back; for he thought I might be in some trouble about it myself. And in addition to that he spoke of the contract as being one that was wrong, because Mr Murphy was a clerk of the department. He made some disparaging remarks in reference to Mr Murphy. I think that was about the purport of the conversation. Some one came in about that time. We had a very short conversation.

Q. Did Senator Hill say anything to you to the effect that if he could get his fee, he supposed as a public man he could give the governor and Mr Murphy the benefit of the doubt? A. Mr Hill said, as I have just said, that he believed he would go to the governor and try to get the governor to make Mr Murphy pay the money back to the rolling mill, and he would get his fee.

Q. He (Mr Hill) would get his fee? A. Yes, sir, and get his fee; and he supposed that if that was done he would be justified, as a public man, to give the governor the benefit of the doubt.

Q. What doubt, Judge Hoyt? A. That was the language; I don't know that I could make the inference.

Q. That was the language. Did not that come in connection with Mr Hill's statement. That came shortly after his statement, and in connection with it, that he could not understand how he and others had failed to get that indorsement, and Murphy had got it as soon as he was employed? A. Yes, sir.

Q. Didn't Mr Hill state in that conversation that he understood that Mr Murphy got the indorsement of the bonds within 24 or 48 hours after he was employed—a very short time? A. I think he did.

HENRY W. GRADY, SWORN:

Mr. Hall. Do you remember an article that appeared in THE ATLANTA CONSTITUTION? I do not remember the date of the issue of the paper. I think it was some time in the latter part of October, the heading of which I think was, "A Contested Fee," in which was given an account of a rencounter between Senator Hill and Mr Murphy, and the reason that each gentleman gave, or what purported to be the version of each gentleman, of that rencounter; there was also included in that article a card written by Mr Murphy. Do you remember such an article? A. Yes, sir.

Q. Who was the author of that article? A. I was.

Q. Mr Hill stated the other day to the committee—that his information was that that article was either prepared by yourself, Governor Colquitt and Mr Murphy, or that it was prepared by you and submitted to them for their approval before it was published. What have you to say to that? A. Well, sir, I suppose I can tell you better by just giving you a history of the preparation of the article. That afternoon Mr Howell notified me that he wanted me to prepare an article on that subject for the paper, and to be careful in the article to take no sides particularly, but to give the general facts in the case without going into the details, and giving the rumor—just give the general facts in the case, and to be certain to get it correctly and not do anybody injustice. I had gotten the facts about Mr Hill's side of the case from general rumor, and from his son partly, the day before.

Q. Explain which son? A. Ben Hill, jr, and he had given them to me in a conversation. We had talked over the matter with a good deal of particularity, and I had asked him about every phase of the case, and felt pretty well posted on that side of it. I had heard then Governor Colquitt's statement and Mr Murphy's from general report, but had seen neither of them to talk with them to any extent.

I went to work at my office and prepared the article. Before I had done so, however, I met Ben Hill, jr, and told him the article was going to appear on that subject in THE CONSTITUTION the next day, and that it was going to be submitted to Governor Colquitt and Mr Murphy. He then asked me if it was not going to be submitted to his father. I did not think I would look his father up, as I had his side of the case. He asked me what I was going to publish about his father. I said: "Substantially the story you gave me on yesterday; I am going to give the general facts, and not go into details." He said that story was correct. Thereupon I felt satisfied that I had got fully and particularly Mr Hill's side of the case, as his son had reaffirmed to me the correctness of the story he had given me with great detail the day before. I felt satisfied I had not done Mr Hill any injustice, and went back and reported that to Mr Howell, and told him I would have to see the governor and Mr Murphy in regard to that part of the article that related to them, and in regard to the general article. He said he would see the governor and tell me when I could see him. And he came into our office about six o'clock in the evening, when I was just about finishing the article. He told me he would walk with me to the governor, and we came up to the governor's office and found him here, and Mr Murphy was here also, and had a card which he wanted published and which he wanted to submit to the governor. I state that I had them both together, and would read them an article I had prepared on the affair from beginning to end, and would ask them that if it was unjust in any of its facts to correct it. They agreed to that, and I read the article and asked them for corrections; and my remembrance is that there was not a thing corrected. I think they both stated that the article gave the matter in as fair a shape as they could expect to both sides. They both, however, objected to the publication of anything. They did not object to the article, but Mr Murphy said that he proposed to write what he wanted published himself, and Governor Colquitt, I remember, in a light sort of way, disapproved the publication as being probably premature. But Mr Howell wanted it published, and we were determined to publish it; and having found that they had no corrections to make in any point, why, we left, and Mr Howell took the article to the office, and I went on home, and the next morning it appeared just as I had written it.

I might state here that when Mr. Ben Hill, jr, that afternoon asked me if I intended to show the article to his father, I told him that I did not; but I did not want to be understood then, nor now, as refusing to allow him to see the article. I had satisfied myself from his having reaffirmed the correctness of the story of the day before, that I had the facts in regard to him correctly; and having felt that I had done my duty in that particular, I did not feel it urgent upon me to look Mr Hill up.

Q. You did not say in that conversation, to Ben Hill, jr, that you were going to defend Governor Colquitt and his side in this question, even if his father had to be smirched? A. That part of the conversation was this: He asked me what course THE CONSTITUTION was going to take—or somehow the course of THE CONSTITUTION was brought in question. I stated that THE CONSTITUTION thought that Governor Colquitt had been unjustly assaulted, and was going to defend him. He then asked—or I do not know whether he asked it or not; but the question of attacking his father in the alternative came up; and I stated that THE CONSTITUTION was determined to defend Governor Colquitt against that charge, even if they had to attack his father. I understand that he has an impression that I meant that that article was going to attack him the next morning. That could not have been my meaning, because the article could not attack him, and no attack was anticipated. I stated I intended merely to give the general details of the affair, according to the version of both sides, and as merely preliminary to a newspaper discussion of the whole matter; and stated that THE CONSTITUTION believed that the governor had been unjustly assaulted in the matter, and had proposed to defend him throughout, until it was demonstrated that the governor was wrong.

Mr Cox. Was there anything in that article, outside of the card of Mr Murphy, that was actually suggested by Governor Colquitt, or Mr Murphy? A. Not one thing. I think I know that the article was written at my office, and prepared by me with the view to having it as accurate as possible. And my impression is that there was no change made in the article. I am certain that the same copy I made was sent to the office, and if any change was made it was merely the interlining of a word, or the alteration of a word. I think, however, that there was not a change in the article. No idea was inspired, or suggested, by either Governor Colquitt, or Mr. Murphy. It is our invariable custom when anything is written about anybody, to submit the account to the friends, or to the person interested, before it is published, to see that no injustice is done. But I felt, from the conversation I had had with Mr Ben Hill, jr, that I had done his father justice, and felt it right to submit the article to Governor Colquitt, or to Mr Murphy and his friends, and I found Mr Murphy here, and submitted it to him at the same time.

Mr Glenn. Did you tell Mr Hill afterwards that Governor Colquit, or Mr Murphy, had had anything to do with suggesting that article, or getting you to write it, or anything of that kind? A. No, sir.

Q. After it appeared, did you tell Mr Hill, the old gentleman, or anybody else, that Governor Coluqitt, or Mr Murphy, had had anything to do with suggesting that article, or having it prepared for publication? A. No, sir. Nothing of the kind—for it was not true. I had a talk with Senator Hill the next day—a long talk—and he went over the whole case with me, and it is very possible that I may have stated to him, as to everybody else, that the article was submitted to Governor Colquitt and Mr. Murphy, and that I supposed he knew the tenor of it was submitted to his son; that I gained my information about him from his son, and asked him if it was correct and he reaffirmed its correctness.

Q. But you never intimated to Mr. Hill that your article was inspired by Governor Colquitt or Mr. Murphy? A. No, sir.

Q. Do you know whether Mr. Banks ever stated to Mr. Hill any such a thing? Did you ever hear Mr. Banks tell him any such a thing as that? A. Never.

Q. I will ask you if you went, about that time, or shortly afterwards, out to Mr. Hill's house? A. No, sir; I was at his office the day after the article appeared.

Q. Who were present—you and Mr. Banks? A. Myself and Mr. Banks went in and found Mr. Hill by himself; a short time afterwards a gentleman came there; a stranger; I forget his name.

Q. They were the ones present at your interview? A. Yes, sir.

Q. Did Mr. Hill, in that interview, in any manner charge that Governor Colquitt was connected with Mr. Murphy in this fee, or any facts showing Governor Colquitt's connection with it? A. Do you mean he charged that Governor Colquitt was connected with it?

Q. Did he say anything, Mr. Grady, calculated to charge Governor Colquitt with it, or to make the impression that Governor Colquitt was connected with it; that there was anything wrong in Governor Colquitt's indorsement, as connected with Mr. Murphy's fee? A. Well, he went over and told me a long story of the whole thing.

Q. What Morrill told him? A. Yes, sir; about them, and what Goodnow wrote him; he went over the whole story.

Q. Did he say anything in that interview charging Governor Colquitt with anything wrong in the matter? A. He used these expressions on that subject: He stated that he did not allow himself to express any opinion as to Governor Colquitt's guilt or innocence as to any charge; that he had not expressed himself on any occasion as to the guilt or innocence of Governor Colquitt.

Mr. Glenn. Mr. Grady, you are smart and bright and can understand; did he say anything calculated to make you believe that there was anything wrong in Governor Colquitt's conduct; to make that impression on you or Banks or anybody you met there? A. Well, he went over the story, and he tried to make it appear that somebody had acted wrong; I don't know who; I don't know that he directed the suspicion to any particular person; he just told the story, and it made a case out that there had been something wrong done; that a fee had been paid for which there had been no legitimate service.

Q. Anything except that? Was that the only impression—that Mr. Murphy had got a fee without any legitimate service—or was the governor connected with it through the old man? A. He told that story about the old man, and he left myself and Banks to draw our own inferences; he said he was very much pained at the combination of circumstances that had arisen.

Q. Did he mention sleepless nights? A. I have heard that expression around about a good deal; I do not think he mentioned it.

Q. Didn't he say that it pained him very much, and that it was the only thing that had ever given him sleepless nights? A. No, sir; he never put himself on record to that effect; I have heard that as one of the phrases connected with the affair.

Q. You stated to young Mr. Hill that THE CONSTITUTION believed this attack upon the Governor was unjust, and you intended to defend him, even if Governor Colquitt's defense led to an attack on Mr. Hill; why was it suggested that defending the governor would attack Mr. Hill? A. The conversation was a casual one; I do not remember the exact connection in which the question of attacking his father was brought in, but I remember it was brought in somewhere, and that I stated that even if it were the only alternative left, that THE CONSTITUTION purposed to vindicate Governor Colquitt as long as it could believe that he was innocent of anything wrong.

Q. Why did the idea of an attack in the sentence come out? Did you mean that he was the governor's accuser, and that if you defended the governor it might attack him? A. The alternative was presented in some way; I do not know how.

Q. Not that the governor was on one side and Senator Hill on the other? A. It looked that way.

Q. Didn't Mr. Hill recognize that as the position of the parties in that conversation with you? A. I do not know.

Mr. Fort. Did you ever state to Mr. Banks that this article was inspired or dictated by Governor Colquitt in any way? A. No, sir.

JAMES BANKS, SWORN:

Mr. Hall. Mr. Banks, Mr. Hill gave your name to the committee the other afternoon as one of the persons who informed him that Mr. Grady prepared an article for THE CONSTITUTION, headed "A Contested Fee," and which appeared in THE CONSTITUTION some time in the latter part of October, and that he brought it to the executive department and submitted it to Governor Colquitt and to Mr. Murphy for their approval before it was published. Have you any information on that subject? A. Well, sir, I did not inform Mr. Hill that Mr Grady stated to me that he had written the article and submitted it to Governor Colquitt and Mr. Murphy for their approval before it was published, but I did state this the day the publication came out in THE CONSTITUTION: I stated to Mr. Hill that I had been in the back room of THE CONSTITUTION office the night before this article came out, and Mr. Grady was writing there; I asked him what he was writing; he stated that he was writing up this whole Murphy matter, and it was a most unpleasant task, or something of that sort; I staid there a few moments and he found the article and Mr. Howell came in; Mr. Grady said to Howell, or Mr. Howell to Grady, "Come, let us go and see the Governor," and they left together; I stated that to Mr. Hill; Mr. Grady and myself went to Mr. Hill's office the day the publication came out and had a long conversation in reference to the publication: Mr. Hill complained of the article headed "Hill's Story," and Mr. Grady admitted that it had been submitted to Governor Colquitt and Mr. Murphy before its publication, in Mr. Hill's presence that morning. That is all I know about it.

Mr Glenn. Didn't Mr Grady tell him at that time that he had got Mr Hill's part of the affair from young Hill? A. No, sir; I do not think he did. I think he stated this: that when Mr Hill complained of the article, he complained principally of the heading, of its being Mr Hill's story, and told Grady that that was an attempt to commit him to that view of the transaction, which never had been referred to him at all; and then Mr Grady stated, "Well, I gathered what I put in that part of the article from previous conversations with you." I think that was about the statement.

ATTORNEY-GENERAL ELY, SWORN:

Mr Hall. What office do you hold in this state? A. I am attorney-general of the state.

Q. Did you hold the office of attorney-general of the state during the year 1877? A. Yes, sir.

Q. And up to this time? A. Yes, sir. I was appointed early in January, 1877. I do not remember the exact day.

Q. Did the governor ever submit the question as to the right of the Northeastern railroad company to have its bonds indorsed by the state of Georgia to you, and was your opinion asked upon that question? A. No, sir; my official opinion was never asked.

Q. Was your opinion as a friend or as a lawyer unofficially asked in any way? A. I do not remember as to that. I know that I had some conversation about it. I do not know whether it amounted to an opinion or not.

Q. Who with? A. With the governor. I had some conversation.

Q. In those conversations did you give to the governor your opinion as to whether the railroad company was entitled to receive the indorsement from the state or not? A. I do not remember as to that. I know that we had some conversation on the subject, which was perhaps early last year, and I know that that question was being discussed, and that we had some conversation on the subject. I remember that Mr Hammond's opinion was on file, and that that was looked to, and I do not remember at that time whether I gave any decided opinion to the governor or not. I mentioned to him perhaps that it was a question about which there was some doubt.

Q. Did you form any opinion from your investigation of that subject as to whether the railroad was entitled to the indorsement or not? A. Not at that time—I did not.

Q. Did you before the indorsement was made? A. The governor instructed me to defend the suit which was brought by Morris against the road, and for the purpose of conducting that suit I did investigate it. I had investigated it some time before that time, but not by any means thoroughly, and it became my duty, of course, to represent the state in the litigation, which I did before the superior court at Gainesville, before Judge Rice, who was sitting there at chambers. The suit, I believe, was brought in Clarke county.

Q. You came to a conclusion, did you not, as to the right of the road to have the indorsement? A. I suppose I did, sir.

Q. Was that before the indorsement was given? A. Yes, sir.

Q. Did you communicate the conclusions at which you had arrived to the governor? A. Not in any official way.

Q. In any way? A. I do not remember. I think that after the case was argued before the supreme court I had frequent conversations with him. I did not communicate any opinion to him as attorney general—that is, in the way of his asking my official advice about it—but I did in the way of saying that I thought that the argument was with the state. That was my information about that.

Q. What do you mean by saying that the argument was with the state? A. I thought that the state would gain the case; that it would be decided that the state was under no obligation to indorse them. I might have said that much. Of course I was acting then simply, however, as counsel for the state in the litigation. If I had been called upon by the governor for an official opinion, I should have investigated the matter thoroughly on both sides. But I did not do so at all. I was simply looking to but one side of the question.

Mr Preston. Was not your mind from your investigation of the subject rather against the legality of signing these bonds? Were not your inclinations very much that way all along? A. I had read Colonel Hammond's opinion as far as I could read it; the original opinion that Colonel Hammond gave was not on file here. It had been removed or lost, and that could not be obtained, and I or somebody else here sent up to his office and got his impression book that there was a copy of the opinion in. It had been copied very badly, and it was with great difficulty that it could be read, certain portions of it. From reading that opinion, and not being called upon to decide with reference to the matter, my views generally being opposed to these things, I rather had the impression, without having investigated it at all, that perhaps the state was not absolutely bound to make the indorsement.

Q. Did the governor, in these conversations, after the governor had been led by whatever cause, arguments presented to him from other sources, after he had become himself inclined to sign the bonds, and to concur with the opinions presented to him by Mr Murphy, and in discussing those opinions and telling you his inclination about the matter, didn't he have a good deal of difficulty about getting you to concur with him in that view of the matter? Were you not, in other words, imbued with the idea that the state was not bound to make the indorsement? A. I did not consider that that was a matter I had anything to do with.

Q. I mean in your conversations with Governor Colquitt, didn't he take the side that the state ought to indorse in discussing the matter, and didn't you, on the other hand, maintain your views of the matter? A. Yes; I always gave him my views of the matter.

Q. Was not your opinion for sometime opposed to the signing of the bonds, and didn't you finally yield that opinion to the opinions presented by others to Governor Colquitt? A. I did not have any conversation with him, as I remember now, until about the time the bonds were signed; and he told me that he had concluded it was his duty, under the circumstances, to sign them. Of course, I made no objection at all.

Q. In other words, you said then, perhaps, what you said a little while ago, that you had some doubt about it; you hadn't investigated it as thoroughly as you desired? A. Yes, sir.

Q. But that you yielded your opinion to the authorities presented to Governor Colquitt, and the opinions presented by others? A. Yes, sir.

Governor Colquitt. I would like to ask a question with a view to shape the points in the case—if the main point in the case was not the effect of the resolution passed by the legislature in modifying, or changing, an act of the legislature. A. Yes, that was one of the main points.

Q. That a resolution passed by the general assembly could not repeal, nor suspend, an act of the legislature? A. Could not repeal an act. On that point there was some conflict in the decisions of the courts. There is a case in Mississippi, in which it was held that a law could be repealed by resolution as well as by a bill. I remember that Mr Hill, in his argument before Judge Rice, maintained that, and he stated a decision in the supreme court of the United States, in which the widow of Commodore Decatur was given an appropriation, or pension, by resolution, in which the resolution repealed an act. So that there was conflict in the decisions on that question in reference to it. And about that I argued for the state before the superior and before the supreme court. I regarded it really as a doubtful question of law.

Mr Hall. Has not the supreme court of this state decided that an act could not be repealed by a resolution? A. I do not remember as to that. There was a question behind that, as to whether the act of 1874 did not except this road without any resolution at all, whether their rights had not become vested. This I regarded as a doubtful question.

Q. And so your mind was really in doubt and not clear as to the right of the road, or against it? A. It was not clear either way.

Q. Not clear either way, and so you expressed yourself to the governor? A. Yes, sir; and moreover, I suggested to the governor that I thought it would be very proper to make that a question for the courts to decide, inasmuch as the act seemed to provide that that could be done.

Q. That was before the case was made? A. Yes, sir.

Q. And the court decided it did not have jurisdiction? A. Yes, sir. The decision was that that clause was in violation of the constitution. Of course I made no such question in the court below as to the want of jurisdiction, because I wanted the case to be determined on its merits.

Q. After that decision by the courts, to the effect that they did not have jurisdiction, your mind was still in doubt as to whether the road had a legal right to the indorsement or not? A. I would even say so now.

Q. You had that doubt, and you so told the governor, as to whether the railroad had the right or not? A. That was my opinion about it. Still, I gave it merely unofficially, and therefore I did not consider myself especially bound by it one way or the other.

Mr Fort. I will ask you if it was not your advice and the governor's conclusion to have this question decided in the courts, and if you did not investigate the question with a view to maintain the proposition that the state was not bound? A. Certainly.

Q. Just as if you had been counsel in the cause to maintain that proposition? A. Certainly; just as if I had been employed by a private individual.

Mr Wright. Your investigation went, therefore, to maintain your proposition, rather than to give a disinterested opinion? A. Certainly, certainly; and I should think that after having been engaged in the case, and after having argued it, I do not know that I would have been very well prepared to give a disinterested, impartial opinion, because I had looked to it for the state, and my mind naturally ran in that channel to defeat it before the courts. I considered that it was my duty to establish everything I could for the state, although, of course, it would have been my duty if I had been called upon to endeavor to give as impartial an opinion as I could.

Mr Cox. Upon the hearing of that injunction before Judge Rice, didn't he sustain the injunction? A. He granted an injunction. The bill was filed by Morris.

Q. I understand that in the original case the judge below sustained the injunction? A. He sustained it.

Q. And the court above reversed him, not on the questions that were made below, as I understand it, but because there was a want of jurisdiction? A. Yes, sir.

Q. And on the unconstitutionality of the second section of that act, for want of something in the title? A. I have not read the case lately, but my recollection is that the court also put it upon the ground that every citizen had a right to petition the governor.

Q. Upon what grond did the court below act? A. I do not think the judge gave his reasons. Perhaps he may have done so, and on the ground that no rights had vested in the Northeastern railroad company, and on the ground that a resolution could not repeal an act; that this resolution could not except the road from the operations of the repealing act.

Q. The court below ruled distinctly on the question? A. On the merits of the question.

Q. And passed on them adversely to the Northeastern railroad company? A. Yes, sir.

Mr Glenn. Colonel Ely, you stated you went to Gainesville, by order of the governor, to represent the state in that argument before Judge Rice? A. Yes, sir.

Q. Did Mr Hill say anything to you before you went to Gainesville about your appearing in the case? A. We went to Gainesville on two occasions to represent this case. Mr Hill saw me before the first argument. He called at my office and he mentioned to me that they had filed a bill in the case against the road under that act. We had some conversation about it, and I mentioned, I think, that I supposed that the governor would desire me to represent the state in the matter. He said he supposed so, and he moreover stated in the course of the conversation that it was a very clear case, that the road was entitled to the indorsement, and that while I might go to the court, yet that he did not see any necessity why I should at all make anything like a vigorous fight for the state; that I might be there, but that he would not consider it my duty to make a strong resistance. Of course I do not remember the language now, it has been some time, but that was the idea. I said to Mr Hill I did not know; that the governor had not yet said to me that I must go, but that if I represent the state, it will certainly be my duty to do as much for the state as I possibly could; so far as the road was concerned, they would have the benefit of his counsel and, of course, very distinguished ability, and that I certainly felt it my duty to do everything for the state that I could do, and if I was employed I certainly would not represent the state on any other condition. We had various other conversations about it and discussed the question. We discussed the question of the resolution. I mentioned to him that I thought there was some doubt about the law of the case.

Mr Cox. If I understand you, there was some question as to whether the rights of this road had vested before the court below? A. Yes, sir.

Q. Was there a conflict of proof upon that question? A. The point in the case was, as I remember it now, this: the act provided that there should be twenty miles of the road completed and equipped before the indorsement was to take place. It was to be indorsed, as I think, in sections of twenty miles.

Q. The first two, and then the third? A. Yes, sir; that is my recollection of it. I have not looked to the law at all recently to refresh my memory about it. The evidence was, I think, that the twenty miles had been completed and equipped when the act of 1874 was passed.

Q. That was the point on which that turned? A. There was no controversy as to the facts, but the question was whether that amounted to a vesting of the rights.

Adjourned to 7 o'clock Monday evening.

MONDAY EVENING, 7 O'CLOCK, P. M.

Committee met, chairman presiding. Quorum present.

Mr Gray, member of the committee, excused on account of illness of his family.

WILLIAM GOODNOW CONTINUES:

By Mr Glenn. The first question I want to ask Mr Goodnew is this, whether or not he is a defaulter now to the Atlanta rolling-mill company as its general manager? A. I say no, sir.

Q. Have you not admitted to W S Thompson that you are two or three thousand dollars short in your accounts as general manager which you could not account for? A. No, sir.

Q. I will ask you if a committee of the directors of the rolling-mill, assisted by expert book-keepers, have not been examining your accounts as general manager? A. Yes, sir. It is proper to state that the secretary and treasurer of the rolling-mill company was sick for two months, and that his books were not written up, and are not written up yet.

Q. I will ask you now if the rolling-mill company did not have a claim against Louis Scofield, Chattanooga, for some hundred dollars for castings, or things made at the mill, and if you did not go to Chattanooga and receive from Scofield a gold watch-chain, (I said watch the other night, but it is watch-chain, I am told,) that was to be credited on that account, and if you did not enter the credit on the account, not for the watch-chain, but you credited the account for $50 for defective castings? A. I have no recollection of such transaction.

Q. Did you deny or admit it? How is that? A. I have no recollection of any such transaction at all. You ask if the rolling-mill company did not have a claim against Mr Scofield, or his mill, when Mr Scofield went away from here. They owed him like other creditors under their settlements several thousand dollars, which was in notes which ran from one to ten years.

Q. I am not talking about his notes. I am talking about his accounts? A. I am talking about both.

Q. It will be easier if you will answer my questions, and then make any explanations? A. I have said that I have no recollection of any such transaction.

Q. I will ask you if, in the meeting of the directors of the rolling-mill company, W. S. Thompson did not, in your presence, inform the directors that such was the fact, and whether or not you denied it? A. Mr. Thompson stated this fact—made about the same statement that you have—and also, at the same time, another transaction.

Q. Just answer about the one. A. I did; I said as I say now, that I have no recollection of any such transaction.

Q. You denied it? A. Yes, sir.

Q. Shortly after that, the same hour probably, did you not tell Thompson that you did not propose that trade to Scofield, but that Scofield proposed it to you, about taking the watch chain for $50 and crediting the castings? A. No, sir; the conversation I had was relative to another transaction.

Q. Was this matter alluded to in the meeting? A. I don't recollect whether it was or not.

Q. Didn't the rolling-mill company owe Louis Scofield about $1,500 in $100 notes, and after they became due Louis Schofield asked you to pay them, and you told him you would not pay him unless he would give you individually two or three of them, which he did, and got his money? A. No, sir.

Q. You say that is not true? A. That is not true, sir.

Q. What was the truth about it? A. The truth about it is that the rolling-mill company bought of Mr. Scofield the office up there for $1,500, giving him fifteen notes, each $100, payable monthly, running through fifteen months. The notes were paid as they became due for two or three months to Mr. Scofield, perhaps two or three of the first ones. The next two or three he sold to other parties before they were due, and before the fifth or sixth were due. I think (the books of the company will show the entries all properly made on the books) that the other nine notes were not due for nine months. He pressed me very hard to make him an offer for the notes, and I paid them before they were due.

Q. What did you give for them? A. Something less than their face.

Q. As much as $100 less? A. No, sir.

Q. You bought them with the money of the rolling-mill company? A. Yes, sir.

Q. Didn't you take the notes instead of the rolling-mill? A. No, sir. The books show I made about forty dollars for the rolling-mill company on the notes.

Q. Didn't Thompson charge you with this at this meeting, and did you deny it? A. I don't recollect.

Q. Did you not tell Thompson after the meeting was over that Schofield asked you to make the trade, instead of you making the offer? A. I don't recollect. I stated, I think, in the meeting of the directors, my impression is I stated that I did not recollect the transaction. Whatever it was, the books would show. I knew that I had ordered the entry, and since did not look it up.

Q. You did not tell Thompson that the only difference between his statement and your statement was that Scofield asked you, instead of you him? A. Oh, I don't recollect about that.

Q. Isn't it true that the rolling-mill company owed Louis Scofield, generally, and you refused to pay it as the manager, until he transferred to you individually his stock in the rolling-mill company? A. That is not true.

Q. Didn't Thompson charge you with that? A. The rolling mill company did not, but you spoke of these notes.

Q. Didn't Thompson report this to the directors of the rolling-mill company in your presence, and you failed to deny it? A. I don't know what you mean by denying it. We had some general talk there.

Q. You didn't say it was not true? A. My recollection is that I made the answer that I did not recollect about this thing, but that they were matters of entry in the books, and they would show.

Q. Is that your recollection now of what you stated? A. Yes, sir.

Q. Did you not have Professor B. F. Moore examine the books of the rolling-mill company? A. Yes, sir.

Q. Did he not mark on the "suspense" account an entry of $3,000 you paid out that did not explain itself, and he called on you for an explanation? A. He called on me for an explanation.

Q. Mr. Moore asked you about the item? Is that true? A. There is an item of $3,000 which is on the "suspense account."

Q. Didn't Professor Moore, when examining the books, ask you for an explanation of that item? A. Very likely; I don't recollect.

Q. Didn't you answer, in substance, that you refused, that if you answered it truthfully it would criminate somebody, and you would not tell him what it meant? A. No, sir. I never made any such statement as that.

Q. Did you say that your answering of that question, or explanation of that item, would criminate some one? A. I did not say that.

Q. What was that item? A. It was a transaction of a confidential nature that I was not disposed to explain.

Q. What was it? A. I am not disposed to explain it now.

Q. Do you refuse to explain? A. I refuse to explain it.

Q. I don't want to go into confidential matters, and this examination is unpleasant to me, of course, but I must insist upon the answer to that question.

By the Chairman. If it is a confidential communication, or anything that would criminate him, or will tend to criminate himself, he would not be bound to answer it.

By Mr Glenn. If he will say that he will not answer it because it will criminate himself I have no more to say. He has no confidential communications except from a lawyer or his wife.

By the Chairman. Does that item refer to any payment that was just before or after, or at the signing of these bonds? A. I will answer that question. It was a long time before this matter came up.

Mr Glenn. Do you mean a year before the bonds were indorsed? A. A good while.

Q. Do you say it was before these bonds were indorsed that that money was paid out? A. Yes, sir.

Q. It was before any contract for indorsement? A. Yes; it has nothing to do with this matter in any way, shape or manner.

Q. I asked you about the time. Do you say it was done before these bonds were indorsed, or before any movement was had to have them indorsed? A. The books will show.

Q. But I am asking you? A. I can't tell that.

By the Chairman. Was the payment of the $3,000 used in connection with the transaction of the signing of those bonds at all? A. No, sir. No way, shape nor manner.

Mr Glenn. I want to get the date of it. Was it before these bonds were indorsed, or do you remember? A. I don't remember when it was, but I will get you the date to-morrow. The books will give it.

Mr Glenn. I would like to ask the question, Mr Chairman.

By the Chairman. You can answer it unless it criminates you.

By witness. Answer what?

Mr Glenn. What that item was unless it tends to criminate you? A. I have stated that I don't propose to answer that question.

Q. I insist on the answer.

(The witness retired while the matter was under discussion. After long discussion it was decided that the question might be asked.)

(Mr Wright asked for leave of absence for Mr Fort, who had to attend on a meeting of a railroad committee.)

Witness returns.

By Mr Glenn. If the answer to the question criminates you, you need not answer. Just say that, and that settles it; but the committee hold that you must answer the question to whom you paid that money. Who got it? A. I must make you the same answer, that I am not disposed to answer that question.

Q. But the committee has ruled that you must answer it unless it tends to criminate you? A. I don't know that there is any crimination about it; it is a transaction. I stated to you that this matter has been discussed, and it is a matter which will come up before the board of directors of the rolling mill company. It is a matter which has been discussed, and it is a matter which will be settled by them, and it is a matter which I deem it injudicious and unjust to me to have any answer drawn before the matter is settled there.

Q. Answer the question. The committee have decided that you must answer unless it criminates you. A. I can't give you an answer to that question to-night.

Q. My power as an attorney ends; I can't make him answer it.

Mr Chairman. Mr. Goodnow, you will answer the question unless you can state to the committee some legal reason why you should not do it. If it tends to criminate you, you can state it to the committee, and we will not insist upon your answer. It makes no difference how it will criminate you; no matter if it criminates you or tends to criminate you, or if it may possibly criminate you, then you need not answer the question. If there is no possibility of its criminating you, then we must ask you to answer the question. A. Well, I have never consulted with any attorney about it.

Mr Chairman. I say if in your opinion it may have a tendency, not that it will criminate you, but if by any possibility your answering this question will criminate you in your opinion, or if you have fears, or it is your belief that it will do it, then you need not answer the question. You may so state now.

Mr Hall moves that the investigation go on, and that the witness be allowed to consult with his attorney as to whether it will criminate him or not.

Senator Hill says: there is no confidential matter between me and Mr. Goodnow.

Mr. Chairman. Have you ever consulted with any attorney as to whether you should keep this matter to yourself in a confidential way? A. No, sir.

Mr. Hall's motion was put and carried.

By Mr. Glenn. Mr. Goodnow, you stated the other night when you were on the stand that Mr. Coker had approached you and told you that you could get the bonds indorsed by paying money; that he would see Colonel Alexander about it. A. I did not state that.

Q. What did you state on that subject? A. That is one of the things I was going to explain to the committee; Judge Hall asked me, when I was interrupted, when the examination stopped the other night—that is where it stopped; I made the allusion I did to Mr. Coker in answer to the question he pressed upon me, and answering, I mentioned the fact, which was in answer to that question.

Q. State the facts. A. The facts are these: I cannot give you the time, say perhaps a couple of months before Governor Smith went out of office, more or less; Mr. Coker, one day when I was in his bank, brought up the question whether it would not be a good plan to employ somebody as an attorney to get the bonds indorsed, saying he thought that may-be it could be effective, and we did not have much conversation about it the first day; the next day I was in there and the matter was alluded to again, and I made objections to paying money in that direction and proposed to ask the question of how much and who the party was? At that time he said he would not tell me, but would see me more about it; he did not know how much money, and did not give the name of the party. These conversations run perhaps through a week; I saw him every day; the matter came up next day, and in the talk he said he had had some talk with Colonel Alexander, who was a friend of his, and perhaps boarded with him, and he had suggested that perhaps he could be instrumental in getting the bonds indorsed, if a sufficient fee would be paid him, but he would only take hold of it as an attorney. I objected to it, but in the conversation said I would give $500. The next day I saw him and he said it was not fee enough. There was some further discussion, and in that conversation I stated I was opposed to paying money for it, and told him he might offer a thousand dollars, and if in his judgment he became satisfied that he could get it by employing him I thought I would go to $1,500. I think I said to him, that is my impression, that possibly I might go as high as $2,000. Within a day or two again I saw him, and he remarked that Mr Alexander said that he would not think of taking the fee. That he would not touch the matter unless the fee was made sufficient for him to resign his position. The minute he said that I said, "Yes, sir; that is true."

Q. When Mr Boker first mentioned it, didn't he say Alexander would resign and take it? A. No, so; not the first day.

Q. It was your idea all the time that Alexander was to resign and take it? A. No, sir; not at all. The last interview, when he mentioned that, I said I would not think of it.

Q. Did you mention it to Mr Hill after it had all terminated. A. Mr Hill?

Q. You stated that he said there was something whispered in your ear. Did you mention that? A. No, sir; I don't know that I mentioned it to anybody.

(Mr Hill objects to the question going on the record).

Mr Glenn. Did you never allude to this in any conversation with Mr Hill? A. I don't think I did. I have no recollection of it. That had dropped out of my mind at the time, because I say it ended that way.

Q. Did you say you had no allusion to this when you spoke to Mr Hill, and told him that for money you could get the indorsement. Do you state you had no allusion to this matter when you told that to Mr Hill? A. I don't recollect about that.

Q. Just state whether you alluded to it or not, when you told Mr Hill in the summer, or whenever it was, that it was whispered in your ear, that for money you could get this indorsement. A. No, sir; I think I alluded to the conversation I had with Colonel Morrill.

Q. Nothing else? A. I think so.

Q. When Mr. Hill denounced it as an effort to blackmail you, in your mind, you did not think that he had alluded to Colonel Alexander, you were referring to Colonel Morrill, to what Morrill said? A. I don't know that I got the gist of your question about denouncing blackmailing.

Q. When Mr Hill told you not to pay any money, that it was a miserable scoundrel or blackmailer, was he referring to the remark, or to this offer from Alexander, Mr Hill testifies you told him?

Senator Hill says: Mr Glenn cannot state anything for me. After the supreme court decision Mr Goodnow came to my office, and said it had been "whispered," or "intimated" to him, I don't know which word he used, that for a round sum of money, to somebody who was poor and in this administration, last summer along after Governor Smith went out of office, he could get these bonds indorsed, and that the offer came through a party that a man who was to receive the money was so near the governor that the very suggestion made him indignant. I replied to him, "Now, Mr. Goodnow, that is some scamp up there, who simply wants to make money out of you. Now, Governor Colquitt is slow, I think to slow, but he is an honest man and he will indorse those bonds, and do it in due time, and don't you pay one cent to anybody." That is what I stated alluding solely to somebody who wanted to get the indorsements, not alluding to Governor Smith's administration or having the slightest reference to it.

By Mr Glenn. Well, now I remember it; I had forgotten it.

Mr Hill. It is very plain, I had no connection with this case until after Governor Smith's administration.

Mr. Glenn. I remember that now, and will withdraw the question.

Mr. Northern. There seems to have been two contracts in this matter—one made by you and Mr Hill, and one made by Mr Morrill and Mr Murphy, about the indorsement of the bonds. A. Yes, sir; I never had any conversation with Mr Murphy in any way.

Q. You are not known in that transaction at all? A. No, sir.

Q The one with Murphy was made while you were north? A. Yes, sir.

Q. And when you returned and first met Mr Morrill, you say sharp words passed between you; what did you mean by that? A. I meant that I felt rather surprised. I don't know that indignant is the word. I felt a good deal hurt that the money should have been paid in the condition of the mill, and with its other embarrassments, the payment of that money still further crippled us. I believe I would have been successful in getting our debt at the north if I had not been called home.

Q. In the management of the business of the rolling-mill company, whose business was it to make these contracts? A. It was mine. I have no recollection of Morrill making any contract except this one.

Q. In your interview with Mr Morrill, did he make any excuses for having made this arrangement with Mr Murphy in you absence? A. I think that Colonel Morrill stated as one of his excuses that he was fearful there was an effort being made, or would be made, to injure the bank on account of the amount of bonds they were carrying.

Mr Glenn. Citizens' bank? A. I think so, and that that might have had some influence with him.

Q. What interest did Mr Coker have in these bonds? A. He had about ten thousand dollars.

Q. How many of them did he have? A. He had an order for twelve.

Q. Twelve that had not been indorsed? A. Nobody had any, but I had given orders to Mr Coker on the railroad company that when the bonds were issued he was to have twelve. The interest of the banks was all about the same as Mr. Coker's. They had all advanced money in some way.

Senator Hill. I would like to make a statement as witness myself before Mr Goodnow leaves. I desire to say that Mr Goodnow in his testimony has stated that his contract with me was for ten thousand dollars. Now, there is an apparent conflict between him and me there only. I want to explain that to the committee. Before Mr. Goodnow went to Athens, as he testified, to induce the Northeastern railroad company to join the rolling-mill company in employing me, we had talked about a five thousand dollar fee. He had offered me five thousand dollars, and I had offered to undertake it for $7,000, but that was only in case the rolling-mill company should pay it all. It was the impression that as there were $260,000 of these bonds, and the rolling-mill company was entitled to only about half of them, that if the services inured also to the benefit of the railroad company, that the two companies could pay ten thousand dollars; but if the railroad refused to pay anything, then the rolling-mill was to pay $7,000.

He went to Athens and made this arrangement himself, of which I never asked any explanation. When they brought me the contract already drawn up between the railroad and the mill, which they wanted me to sign also, I saw that half the fee was not to be exceeding $5,000. I asked no explanations. I was perfectly satisfied with it, and I also knew that Goodnow always said that his understanding was that my contract was for $10,000. And it is very honorable in him to say so. That is the writing between the Northeastern railroad and the rolling-mill. That is his recollection of the contract, I have no doubt, because he has always said so. And in my declaration I recite and allege that the contract was for ten thousand dollars, because the evidence, in writing, shows it is for ten thousand dollars, and I have no doubt that under Goodnow's testimony and the contract, I could get a verdict for $10,000. But as the railroad company does not have to pay any of the fee, and I get it all out of the mill, my idea is that good conscience requires that I take only $7,000. I did not think it was right when I was willing to take the case for $7,000; and that is the conclusion I arrived at, and it is a matter of good conscience with me. I alleged $10,000 in the declaration, but when I came to make affidavit of the amount due, I only allege $7,000—not that the contract did not give me ten, but that is all I claim. Mr Goodnow has always been very honorable with me, and stood to it that it was $10,000. But it has been a matter of conscience with me.

Mr Goodnow, the witness, retires.

GOVERNOR JAMES M. SMITH, SWORN:

Mr. Wright. Will you please state to the committee whether or not you refused to indorse the bonds of the Northeastern R R Co during your administration as governor of the state? A. I declined verbally, in a verbal interview between myself and Ferdinand Phinizy and the president of the company, I think a gentleman by the name of Childs, to indorse them. I told them I could not do it. There was an early application made for the appointment of commissioners to examine the road. I would rather, if the committee permit me, to commence at the beginning and tell the whole history. It will otherwise be broken and disconnected paragraphs. Sometime, I think in the fall of 1875, Mr. Phinizy called upon me to know whether I would indorse the bonds of this company. For some reason, that interview was not finished, and I said to him that I would think over the matter and write him. Sometime thereafter I received a letter from the company, I think from the secretary, Mr Johnston, perhaps, inquiring whether I had decided that I would indorse the bonds. I replied to him that I would not indorse them. That was in the fall of 1875. I also stated to the committee that I felt very much opposed to the policy of indorsing bonds, and had considered that policy very thoroughly, and had about resolved in my mind that I would not indorse the bonds of any existing railroad company. Subsequently to that, however, it came to my knowledge, after I had written this letter, that their application was premature; that they had not finished the section of twenty miles of their road, and that they were really not in a condition to apply to the executive for any indorsement. I felt that the time had not come for the executive to act in the matter at all, and that their application being premature, my refusal was premature; that they had no right to call on me for a decision at that time. My attention was also directed to the fact that the legislature had excepted by a joint resolution the Northeastern railway from the operation of the repealing act. While these circumstances lead me to doubt the propriety of my having refused so positively in the first instance to indorse the bonds, sometime during the session of the legislature that followed, perhaps in the month of January, the president of the company—no it was Mr. Johnston, the secretary of the company, Mr Phinizy and Mr McDaniel, a Senator from that district, called at the executive office, and we had quite a lengthy interview on the subject. I told them that I had learned that their application was premature, and to use the expression that I then used, I said that they had attempted to get the measure of the foot of the Governor in advance, and that I doubted the propriety of my giving an opinion in advance. As I was not the legal adviser of the company, I didn't propose to advise them what their rights were in the matter, but intended to leave them to do as they pleased and when the time came for the executive to act, if that time should ever come, that then I would do my duty if I was in office.

They insisted that I should give them my opinion as to whether I would indorse at all or not. They knew that I was very much opposed to the policy of indorsing the bonds. I stated to them that if the law required me to indorse that it would be my duty to do it, however disagreeable it might be; or that I would indorse if I was satisfied that the law required it. In the course of the conversation the expression "the law of the charter" was used very frequently. If the "law of the charter" required it, I said I would do it. At the close of the interview there was some intimation that they might want to act in some way upon the result of the conversation; I said to them if they intended any such thing as that, they had better have it in writing, I thought. I heard nothing more of it until I received a letter some days afterwards, calling my attention to the fact that this interview had taken place, and stated in substance what the writer of the letter—I think it was Mr Johnston, the secretary—remembered as the substance of that conversation. I replied to this letter, and these letters are all on file, at least copies of them are—that they had remembered the conversation about right, except that I had stated that their application was premature; and while I was very much opposed to state aid, that, if the law required me to indorse the bonds, I should be bound by my oath of office to obey the law.

I will just state to the committee in further explanation of that particular thing that my purpose was to give them to understand that I intended to give them no opinion of that particular case.

I just intended to impress it upon them that I would obey the law, and leave it for them to judge for themselves in reference to this matter. Still I heard nothing more of it from that time until the close of the year 1876, in the fall of that year.

I received notice in some way—I don't remember whether by letter or verbally—from some of these parties that they were about ready to apply for the indorsement of the bonds. As soon as I was satisfied that that was so, I applied to the attorney-general, Mr Hammond, for his opinion. I investigated the question myself, and had investigated it before. I will take occasion here to say as to the effect that the joint resolution of the legislature had upon the state aid repealing act, I never had gone into the question at all particularly. I did look into it after I became satisfied that they intended to make the application. Doubts arose in my mind as to the propriety of indorsing bonds. I thereupon directed a letter of instruction to Mr Hammond, the attorney-general, propounding quite a number of questions to him, with a view of getting his official opinion as to the title that the company had to the aid, and particularly with reference to the right of the company in view of this joint resolution. He returned me his opinion. The instructions are on file. He returned me his opinion adversely to the right of the company to the aid. Immediately upon receiving that opinion I had a copy of it, together with the letter from myself, or one of my secretaries, sent to the company, advising the company of this action of the attorney-general in the matter, and giving them to understand that if they had not finished a section of twenty miles, (I had not been advised officially that they had not finished a section of their road) that if it was true they might apply to the legislature. There was no definite refusal in the letter. Some days after that Mr Phinizy and Mr Childs called at the office and we had quite a lengthy interview. In that interview I told them that I thought, under all the circumstances, the company had very strong equities. I thought that I had never heard of a case that was stronger in the equity of their claim than that, but that the attorney-general having given his opinion adversely to the claim of the company under the law, that I agreed with the attorney-general; that it was the duty of the executive to construe the law strictly against the company and in favor of the state. To say the least of it, it raised a very grave question in my mind, and I gave the state the benefit of the doubt.

Well, in the course of the conversation these gentlemen said they were placed in a very awkward predicament, that they had gone forward and made contracts with somebody—I don't remember that they stated with whom—had indebted the company upon the idea that they would get this indorsement, and they at least wanted to be placed in the condition that was most favorable for themselves before the legislature. I recommended that they should go before the legislature. I gave them to understand that so far as I was concerned I could not give them the indorsement conscientiously, and I would not do it unless I could do it in that way.

I told them if they would go before the legislature, I would give them every facility that I could; that I would help them in any way, because I believed that they had a strong claim upon the legislature for relief in the matter. Mr Phinizy remarked that he desired a commission should be appointed anyway—commissioners to examine the road. In that connection it was suggested that it did not officially appear that the section of twenty miles of road had been completed before the date of the state aid act.

I distinctly said to them that if they took that position, of course it was my duty to appoint the commission, and I would do so; that I would willingly do anything I could to relieve them, especially as under that law it would become their duty to pay the expenses of the commissioners. The law made it the duty of the company to pay the expenses of the commissioners, and of the executive to fix the amount of compensation. That was the understanding. I did appoint the commissioners, and they investigated the matter. I will remark that the letters of instructions appear on the minutes of the executive journal. One of these instructions is that they should carefully examine and report to the department whether a section of twenty miles of road had been completed at the date of this act. They did report. Their report came in the day—as I remember it now—before I went out of office. It was too late for me to act upon it at all. I did not act, and I will take occasion to say that I was very glad the responsibility did not devolve upon me to place the order upon the minutes refusing to grant the aid. I left it open for my successor in that way. While I did, in the manner that I state, announce to these gentlemen that I could not indorse the bonds before they made their formal application, I cannot say that there was no refusal, but I can say that there was no refusal on my part entered on the minutes. I did not consider the remark as final, as they claimed that it did not officially appear there was no section of twenty miles completed. I expected when I appointed the commissioners, that they would have reported much earlier than they did. If they had done so, of course I should have passed upon their report, and should have entered the refusal.

Mr. Hall. You say one of the instructions to the commissioners was that they should report whether a section of twenty miles was completed before the act was passed? A. The state aid repealing act—the act of February, 1874—I think that was the ground upon which I rested my objections; that was the point of Mr. Hammond's refusal. I of course intended to ascertain the facts officially about that.

Mr. Preston. You have read that report of the commissioners. What was that report—that there had not been completed a section of twenty miles? A. No, sir; that it was not a section of twenty miles; but the report can bespeak for itself.

I had in my conversation, I will take occasion to say, with the president and with Mr. Phinizy. I had, I think one or two talks with them in the course of one day. Taking it for granted that there had been a section, but when it was suggested that I had no official evidence of that, I, of course, recognized the propriety of the objection, and appointed commissioners as was my duty.

Q. Suppose the report of the commissioners had shown that the twenty miles were first completed, would you have indorsed the bonds? A. Most undoubtedly with as much regret as I ever did anything; but I would have done it.

Q. Had there been any material change after you went out of office before Governor Colquitt signed the bonds? A. I think the whole road had been completed, and cars running all of its length instead of twenty miles. I think they had completed forty miles.

Q. But the twenty miles had not been completed before the repealing act was passed. A. No, sir; they had not completed that and gotten it into running order.

Q. Before the act of 1874? A. Yes, sir.

Mr Hall. Do you mean to say that you would have indorsed for only the length of the road, or only for the twenty miles? A. For all that was completed.

Mr Preston. That you would have done in view of the completion of the forty miles? A. In my judgment if they were entitled to the indorsement for twenty miles, they were entitled to the indorsement for the second twenty miles, I would have indorsed for both.

Q. Was the indorsement made by Governor Colquitt entirely legal and proper? A. Well, as to its being strictly legal I can't say. I will say that the equity of the case was as perfect as I ever knew in any case.

Mr Preston. You didn't have before you all the arguments of Mr Hill nor the arguments of Mr. Bacon, nor of Lester, nor others, nor of Colonel Simmons and other members of the house, brought to bear upon you in this matter? A. I had nothing before me except the opinion of the attorney-general on the subject.

Mr Hall. I will ask you if there was not a great variety of opinions among the ablest lawyers of the state as to the right of the road? A. My answer is, that there was, and in my judgment that there was a great room for a difference of opinions amongst lawyers, and I would add, that I would be very far from condemning anybody, or think anybody thought wrong who differed with me in opinion on the subject. I know there is room for difference of opinion. I simply acted upon my own judgment, as it was my duty to do.

Mr Cox. Governor Smith, Mr Goodnow, in his testimony here, stated that in the conversation that he had with Mr Coker, Mr Coker named to him that it might be well enough for him to employ Colonel Alexander to serve him as an attorney in getting the bonds of this road indorsed. I will ask you if Colonel Alexander approached you on that subject? A. I answer, no. If he had his head would have fallen in the basket in a minute. He never approached me. I will state here that it was very well understood in the executive office, that so far as the executive secretaries were concerned, they were not allowed to approach me on questions of that sort. I never heard any intimation of that before I heard the rumor that Goodnow had made this statement.

Mr Cox. What executive order did you see fit to pass in that regard, if any? A. I don't remember that I ever passed any executive order. I remember taking the opinion of attorney-general upon the question of secretaries being employed in cases. I don't think it was exactly in point with this case. It was where Mr deGraffenreid, who was one of Bullock's secretaries, had claimed some compensation for services rendered the state. I took his opinion. The opinion is on file here, I suppose now. That directed my attention to that subject. I will here remark that the rule was not a formal rule, but it was well understood in the office that nobody was to approach me, but it was confined to this office. I never went elsewhere, because nobody ever approached me from any of the other offices on any subject of that sort. No; I never heard of Mr Alexander's having had anything to do with it.

Governor Colquitt. I will suggest a question. Did you make any discriminations between the relations of your private secretaries in the executive department and the clerks in other departments? A. I never assumed to have any control, nor did I think I had any direct control over the clerks in the comptroller-general's office and in the office of the treasurer. I assumed no control over any office but those of the executive office proper. I did not control them directly at all. I did not assume to do that.

Q. They did not stand in the confidential relation that the clerks in the executive department occupied? A. No. No, sir. They did not stand in any such relation at all. They never approached me at all, nor did I look upon them as having a right to approach me in any manner except they did so at the instance of the heads of the departments. There was no relation of intimacy, such as existed between the clerks of the executive department and myself.

Mr. Hall. Did you recognize your right to control the action of the clerk in a subordinate department? A. In only one way I could have controlled it, as I construed the law. In the treasurer's office I could only have controlled the clerk by controlling the treasurer himself. He had the right to appoint his clerk, and, of course, had the right to discharge him. If the treasurer had refused absolutely and positively to discharge the clerk that he had then when it was palpable that the public interest demanded it, why then it would have become misconduct upon the part of the treasurer. But I never had occasion to investigate that question, and that is the only way in Georgia that it could be reached at all. The governor takes no direct control over the affairs—clerical affairs—in any of these departments except his own.

F. M. COKER, SWORN:

Mr. Hall. Do you reside in the city? A. Yes, sir.

Q. Are you acquainted with William Goodnow? A. Yes, sir; I know him.

Q. Are you acquainted with Mr. P. W. Alexander? A. Yes, sir.

Q. Did you have any conversation with Mr. Goodnow in the year 1876, before the expiration of Governor Smith's term of office, in reference to his procuring the services of Mr. Alexander to obtain an indorsement by the governor of the bonds of the Northeastern railroad company? If you did have such conversation, please state the circumstances in detail of that conversation, and also any conversation that you may have had with Colonel Alexander. A. Well I don't know that I could repeat it in detail. I can give the substance of the conversations. In substance, it is as follows: Colonel P. W. Alexander was boarding with me, and we frequently talked about these and other matters. I was interested in the bonds of this railroad company. I had some of them as collateral security. I had advanced money on them, and as Colonel Alexander was boarding with me at my house, we frequently had conversations at night, and while walking to and from business. Mr Goodnow was the man I got these bonds from, and the manager of the rolling-mill. I frequently talked with Mr Goodnow also about them, I had advanced money on the bonds on his assurances to me that the bonds would be indorsed by the state. Before I took the bonds from the rolling-mill I asked Mr Goodnow who was wanting to get money on them, if he was sure that the bonds would be indorsed, and what assurances he had? And he said he felt sure that the bonds would be indorsed; and he showed me a letter from Governor Smith, or else told me the substance of it; and he got the law and showed me the law on the question. I examined the law pretty thoroughly before I took the bonds. I read the old state aid act, and then its repeal, and after its repeal the joint resolutions excepting this Northeastern railroad from the operations of the act. I was pretty certain therefore that the bonds would be indorsed, and that it was right and just and proper that they should be. Before I took the bonds, however, Goodnow gave me his assurances that he almost positively knew that the bonds would be indorsed, and upon that assurance and my own opinion of the law I took the bonds.

After the bonds had been in my hands some time—of course I had frequent conversations with Mr Goodnow about them from time to time. I can't recollect exactly about the dates, whether Colonel Alexander was boarding with me before we commenced talking about it or not, but I know that the indorsement of the bonds was refused. How the conversation exactly came up, I don't know. I talked with Colonel P. W. Alexander frequently about it; I had expressed myself very strongly about the indorsement of the bonds. But in regard to Governor Smith's refusal I thought it wrong and unjust to withhold the indorsement, that the road was clearly entitled to the indorsement, and that we and the holders of the bonds were suffering, because the bonds were not indorsed. Among all these conversations, I think he suggested once that the best and proper mode to get the indorsement was to get some good lawyer to get up the whole case with all the law and the facts about it, and remove the difficulties as much as could be, and clear the way for the governor to see his duty. He said that the governor didn't have time to look into all these matters. I reported these conversations to Goodnow. I was pressing Goodnow about it, and wanted him to take up the bonds. He asked me if Colonel Alexander had ever suggested any party to undertake the case. I told him no, he did not suggest any party, and in the next conversation I had with Colonel P W Alexander, I asked if he knew or could suggest any good man. He said "no," but he thought that was the best method that the holders of the bonds could take to get the indorsement, and I don't know whether I asked him or whether he voluntarily offered to do so—to take hold of the thing himself. Anyhow he stated he could not do that under the present circumstances, being private secretary of the governor's; but if a sufficient fee was offered, he might be induced to resign his position and take charge of the thing and see what he could do.

I reported that conversation to Mr Goodnow, and Goodnow asked me if I had not better see Colonel Alexander and get him to undertake it, and see what fee he would charge. He asked me what I supposed he would charge. I told him I had no idea, that maybe $500 or a thousand dollars would do. Mr. Goodnow said that if $500 would do, to offer it to Colonel Alexander.

In the next conversation with Colonel Alexander, I told him that I thought the rolling mill would be willing to pay him a fee to take the bonds and secure the indorsement. He said that he could not take any fee of that sort, even if he went into it, that the amount was large and the trouble great, and the labor great. I reported that conversation to Mr. Goodnow, and I think then he said he would give probably a larger amount, a thousand dollars, or fifteen hundred maybe. Sometime afterwards I reported the conversation to Colonel Alexander. He then concluded to have no more to do with it. He said he would have to resign his position as secretary of the governor, to take hold of it, and that he would have nothing to do with it. I think that is about the substance of the affair as well as I recollect it.

P. W. ALEXANDER, SWORN:

Mr Hall. Colonel Alexander. Mr Goodnow in his statement to the committee last Friday night, or probably Thursday night, said that some time in the year, probably 1876, he had a conversation with Mr Coker, of this town, in which there was something said between yourself and Coker about employing you to procure the indorsement by Governor Smith of the bonds of the Northeastern railroad company; that you had several conversations with Mr Coker, and that Mr Coker reported the conversations he had had with you aoout it. Will you please state to the committee what passed between you and Coker in reference to this matter? A. Yes, sir; my family, during the time of this conversation, was absent from Atlanta, and Mr Coker was kind enough to let me board with him. He was my next door neighbor, and we got to talking very intimately on a variety of topics. I was frequently in bankrupt cases in which the bank was interested, and I had been a practicing lawyer, and among other things that had been troubling him was a loan he had made, as I now remember, to the Scofield rolling-mill company, as a security for which he had taken some Northeastern railroad bonds, and he was very anxious to have them indorsed. He said he thought Governor Smith ought to indorse them, and thought the company was entitled to it. I told him I thought so, too; that I had always been of the opinion that it was the meaning and desire of the legislature that the bonds of that road should be excepted, but that Attorney-General Hammond (who possessed and deserved the entire confidence of the governor) thought otherwise and had given an opinion to that effect, and I thought the governor meant to stand on it, and that the only way they could overcome that opinion was to employ a first-class lawyer who would get up all the facts and evidence and present the case in proper shape to the governor, and meet the argument of attorney-general. And I spoke next about Judge Bleckley's representing some parties in a case in which he had prepared and submitted a brief of the facts, and that he had collected a claim against the state and that there had been no trouble about it, and that his character had a good deal to do with it, and that if these parties employ anybody it should be a man of very good position, and I suggested among them McKay & Trippe, Hopkins & Glenn, and other lawyers here that would be good men to manage it.

Well, I suppose there were a dozen conversations from time to time, because he was very much troubled about it. That is my present recollection. He feared that the company might go to pieces, and he would probably lose his money. We talked about it repeatedly, coming to and fro from our meals. I felt some interest in it and some sympathy for him, and finally stated that if I was foot-loose myself, I would undertake it for the company, but I could not do so without severing my connection with the state government; but I never thought of such employment or that it would be so understood. Subsequently, a week or two afterwards he came to me again and said that the company, or the rolling-mill company would probably pay me $500 if I would undertake it. I told him I would not think of undertaking it for that sum, even if I could do it, but that I could not do it without severing my connection with the administration. He came back afterwards. I suppose it was a month or two months; I did not know—and said he would pay me a thousand dollars. But I told him I would not take it under any circumstances upon reflection, that though I expected to open a law-office here, and Smith's administration would soon close—come to an end—yet, if I did fail I would have my labor for nothing, and if I succeeded it would expose Governor Smith's administration to some possible criticism, owing to the fact that he and I had been law-partners, and that I could not offer to do it, and would not do it under any circumstances.

Mr. Hall. Is that about all? A. That is the substance of it.

Q. What relation did you sustain to Governor Smith? A. I was his confidential secretary.

Q. Known as the private secretary of the department? A. Yes, sir.

Mr Glenn. Colonel, I will ask you to state, after Governor Colquitt was inaugurated, and after you had left Atlanta, while you were living in Marietta, if Mr Morrill did not employ you to present this case to Governor Colquitt, to make an argument to Governor Colquitt? A. I was down here, or came down frequently, last year, not being particularly engaged up there, though residing there, and I was accosted on the streets one day by the gentleman here, who was interested in the matter about Mr Coker, and was asked what I thought about the propriety of the indorsement of these bonds by the governor. I told him that I thought the company was entitled to the indorsement; that the opinion of the attorney-general was a very strong one, but I thought his objection was rather technical than meritorious and at they certainly had good equity in the matter, and that I did not think the legislature meant to deal with the company with that sort of sharpness that our profession practiced when they are representing cases in court; that a great state would not take such an advantage. He then asked me if I would be willing to go and see Governor Colquit, and say to him what I thought of it. I told him I would. He said: "Go and see Colonel Morrill, and talk with him about it; he is representing this matter." He said he would be glad for me to go, and pay me if I would go and express my views, such as I had, to Governr Colquitt. I came up to see the gvernor, and as he remembers we had considerable conversation about it, and I gave him my views on that. I thought the company entitled to the indorsement.

Mr Preston. You gave him your opinion after investigating the matter yourself? A. O, yes, sir! I was cognizant of all the facts before the legislature. It was very bunglingly managed. They attempted to repeal the act by a resolution.

Q. You gave him your opinion that they were entitled to the indorsement of the bonds? A. Yes, sir; I think I was right. I think they were entitled to it.

BENJAMIN H. HILL, JR., SWORN:

Mr. Hall. Mr. Hill, do you remember an article that appeared in THE CONSTITUTION the latter part of October of this year, headed "A Contested Fee?" A. Yes, sir.

Q. In which there was set out what the writer stated was Mr. Hill's version of the matter? A. Yes, sir.

Q. And Mr. Murphy's version of the matter? A. Yes sir; I remember the article.

Q. Mr. Ben. Hill, sr., in making a statement to the committee several days ago, stated as one of the reasons that induced him to write that card to the public was that he learned that that article was prepared either in person by Governor Colquitt and Mr. Murphy, or was submitted to them for their approval after it had been prepared for the press, and that he got his information from yourself, James Banks and Henry W. Grady. If you have any information upon that subject, please give it to the committee. A. I can do that. The day before the article was written in THE CONSTITUTION, that you refer to, coming down from dinner I met Mr. Henry W. Grady on the corner there by the Kimball house, and he stopped me as I was going down to my office, and said: "To-morrow morning THE CONSTITUTION would contain a full account of this matter." "Well," I said, "what will you write? You will see all the parties interested?" He said: "No; we will see Governor Colquitt and Mr. Murphy." I said: "Well, surely you will see father, too, won't you?" He said: "No, sir; we are not going to see anybody but Governor Colquitt or Mr. Murphy." I insisted that he should see father. I insisted on the ground that I stated to him—that if he was writing an article without seeing him it might make it necessary for him to write a card, which I knew would be unpleasant to him; and I insist that you should either see him before you write the article, or submit the article to him before you publish it." He said no, he could not. I said, "Why not?" He said: "To tell you the truth, THE CONSTITUTION is going to prepare an article friendly to Governor Colquitt, even if it is necessary to slur your father." I told him such an alternative was not only unnecessary but would be disgraceful, and insisted on his seeing father. He said it was not an individual matter with him; that he had his instructions from THE CONSTITUTION; that THE CONSTITUTION was going to take strong grounds in favor of Governor Colquitt. I told him that I was glad THE CONSTITUTION would take sides with Governor Colquitt, but did not think it was necessary to slur anybody, especially my father, in doing so, especially as he was not attacking Governor Colquitt. He finally refused, and I communicated our conversation to my father.

Q. Did Mr. Grady give you as a reason why he did not submit that article to your father, that he had got your father's version from you? A. On the contrary, I asked him what he was going to publish about the controversy on the street. He said what I had told him of it. I said: "If you will publish that and nothing more, you will publish the facts; but you ought to see father; I insist that you do see him before you publish anything." But he refused, and assigned as a reason that THE CONSTITUTION was going to write an article friendly to Governor Colquitt, even if necessary to slur father. That was the only reason assigned for it, because I insisted all the time that he should see father before publishing the article.

Mr. Cox. Were you afterwards present at an interview in your father's office when James Banks and Mr. Grady were there? A. No, sir; I was not there.

Mr. Glenn. You did give the facts to Grady of the difficulty between Mr. Murphy and your father? A. Yes, sir; I had a talk with Mr. Grady some day during the fair. I think the day after the occurrence.

Q. Was your statement to Mr. Grady confined entirely to that occurrence? A. I stated to Mr. Grady pretty generally the whole matter as I understood it.

Q. Did you understand him to say he was going to publish your statement? A. Only my statement as to that personal rencounter, nothing else.

Q. Is that all he did publish? A. I do not remember. I do remember that he published a good deal under "Senator Hill's story" that I never told him. That is my recollection about the article.

Q. You state he did not give you as a reason for not seeing your father, the fact that he had your father's side from you? A. On the contrary, he did not intimate any such reason. The only reason he assigned was that THE CONSTITUTION thought it necessary not to see father, in order that they might write an article friendly to the governor and Mr. Murphy.

Q. That is what you told your father? A. I did tell father, I suppose ten minutes after the conversation, what passed between Mr. Grady and myself, and told Mr. Grady that I intended to tell father exactly what had passed between us.

I would like to say something myself, with the permission of the committee, in relation to the publication made by THE CONSTITUTION; that I had arranged an interview between Governor Colquitt and father at the governor's mansion; that it was at my request. If the committee will allow me, I would like to state how that interview came to be had.

Mr. Cox. State it. A. The article in THE CONSTITUTION said the interview was arranged by me. I think it is proper that the committee understand how the interview came about. On Sunday morning, I was at the Kimball House, and Dr. Spaulding, of this city, came to me and said W O Tuggle, of Troup county, was very anxious for father and the governor to have an interview; and Doctor Spaulding said he would like for me to see both, and learn whether it was agreeable for both to meet. I told him I had no objection to doing that. I then went on home, and stopped at my father's and asked him if it would be agreeable to him to meet Governor Colquitt that afternoon. He said, that so far as he was individually concerned, it was always agreeable for him to meet Governor Colquitt, and he had no objections; but that he thought that the meeting would hardly be proper, unless some gentleman was present. I then suggested that Tuggle and Spaulding seemed to be interested, and I thought them the proper parties to be present. So he agreed to meet the governor if these two gentlemen were present. I then saw the governor and asked him the same question, if it would be agreeable to him to see father. He said it would be, and the meeting was arranged for four o'clock, in the presence of Tuggle and Spaulding. That is all I had to do with the interview, and I did not arrange it except merely the formal arrangement, at the request of these two gentlemen.

Mr. Glenn. Didn't you tell the governor that your father made no charges against him? A. Yes, sir; repeatedly before that time.

Q. And that is what you understood from your father? A. I understood that from the very beginning of this affair.

Q. And you so told the governor? A. I may have told him on that occasion. I told him on several other occasions that father had no charges to make against him, and was not his prosecutor.

The contract of Mr Hill with the rolling mill company is here read by the secretary as follows:

GEORGIA—FULTON COUNTY:

This agreement, made this 4th day of June, 1877, between the Atlanta rolling-mill company, the Northeastern railroad company and Benjamin H. Hill. Witnesseth: that, whereas, the Atlanta rolling-mill company is a creditor to a large amount of the Northeastern railroad company, and, therefore, interested in the said railroad company procuring the indorsement of the state upon the first mortgage bonds to the amount of two hundred and sixty thousand dollars, being at the rate of sixty-five hundred dollars upon each mile of the forty miles of road of said company now built and in operation; and, whereas, the said rolling-mill company desire to employ the services of the said Hill as their attorney to procure said indorsement, now, the Northeastern railroad company agree to employ the said Hill as its attorney in said matter jointly with the rolling-mill company, and agree to pay one-half of the fee of said Hill, said half not to exceed the sum of five thousand dollars, to be paid by the Northeastern railroad company, and to be paid in the indorsed bonds of the said railroad company at par, on the terms and conditions following, to-wit: The said Benjamin H. Hill is to have the entire control and direction of the matter, with the exception hereinafter specified. He is to procure them a bill to be brought praying for an injunction against the railroad company, applying to the governor for the indorsement aforesaid, is to prepare the answer of the said railroad company to said bills, and is to appear for and represent said company before the circuit judge, Hon. George D. Rice, judge of the western circuit, on the hearing of the application for the injunction. He is to bear all the expense and charges of the attorney or attorneys bringing the bill, and is to have the right to select said attorney or attorneys himself, and is to take all necessary steps to have the right of said railroad company to the state aid tested by the court, as provided in the act of 1874; and the Northeastern railroad company reserves the right, if they so desire, to be represented also before the circuit judge by their regular attorneys, Cobb, Erwin & Cobb, and Hopkins & Glenn, counsel retained for this special cause by said company, and other counsel to co-operate with Mr. Hill. Mr. Hill is, however, to be leading counsel, and control and manage the cause before the circuit judge until the contingency and exceptions hereinafter provided shall arise, and if Mr Hill succeed in procuring the indorsement by the governor as contemplated, on the bonds aforesaid upon the decision of the circuit judge, Hon George D. Rice, in the event said decision is favorable to the railroad company, then his right to the fee before mentioned shall accrue and he shall be paid as before stated, and in the event, however, the decision of the circuit judge should be unfavorable to the railroad company, so that it should be necessary to take the case to the supreme court, or in the event the decision of the circuit judge should be favorable to the Northeastern railroad company, and the governor should refuse to place the indorsement of the state on said bonds without the judgment of the supreme court on the question, or for other cause Mr Hill should fail to procure said indorsement on said judge's decision, then, and in either of such events, Mr Hill is to receive no fee or compensation whatever from the Northeastern railroad company for his services or expenses, and his connection with the case as the attorney for the Northeastern railroad company is to cease and determine at this point, and if he appears any farther in this cause, it will be as the attorney for the rolling mill company, and paid by them and not as the attorney of said Northeastern railroad company—and the Northeastern railroad company reserves the right to he Counsel Hopkins and Glenn, and Cobb, Erwin & Cobb, or either of them to determine after the decision of the circuit judge where the contingency that makes it necessary to protect the railroad company's interest, by carrying the case to the supreme court has arrived, whether such contingency shall have arisen from an unfavorable decision of the circuit judge, or from the unwillingness of the governor to act upon a favorable decision of the circuit judge, without affirmation by the supreme court, or from other causes, and said causes shall in such contingency take charge of the case, carry it to the supreme court, when in their discretion, necessary and proper to protect the interest of said railroad company, and represent the railroad company, in said case in the supreme court, and Mr Hill shall at once take the requisite step necessary to having the case before the circuit judge, Hon. George D. Rice, and if the bill for injunction is not filed and a day for hearing argument before the circuit judge determined by the fifteenth (15) day of June inst., this contract to be considered annulled and void.

In testimony whereof the said rolling-mill company, by William Goodnow, its general manager, the said Northeastern railroad company, by A. K. Childs, its president, and the Hon. B. H. Hill, have all hereto set their hands and seals, the day and year above written.

[Signed]
ATLANTA ROLLING MILL COMPANY. [L.S.]
BY WILLIAM GOODNOW, G. M. [L.S.]
A. K. CHILDS, President N.E.R.R. Co. [L.S.]
BENJAMIN H. HILL.

Mr Hall moved that the chairman notify the officials of the Northeastern railroad company that this committee will investigate the legality of the indorsement of their bonds by the governor, and if they desire to appear in person, or by attorney, they can do so.

Mr Northern moved as a substitute that the committee reconsider its action in adopting Mr Cox's resolution to make such investigation.

Pending discussion, adjourned to 9 a. m.

TUESDAY, 9 O'CLOCK A.M.

The committee met; Mr. Preston presiding; quorum present.

Mr Cox advocated at length, that this committee should investigate the legality of the signing by the governor of the bonds of the Northeastern R. R. Co.

Mr Hall moved that the committee go back to the senate and the house and ask instructions, as to whether the committee shall investigate that question or not.

Mr Hammond moved as a substitute to Mr Hall's motion, that the action of this committee in the beginning, in adopting Mr Cox's resolution to investigate the legality of the indorsement of those bonds, be rescinded.

Mr Cox called for the motion of Judge Hall on last evening, that this committee instruct the chairman to notify the friends, or officials, of the Northeastern R. R. Co., that we are going to investigate the legality of the signing of the bonds of that company.

This motion was put and lost by a vote of 5 to 6.

The next motion was Mr Hall's, that the committee should ask further instructions from the senate and house. Lost by a vote of 5 to 6.

The motion to rescind the first clause of Mr Cox's resolution, passed 12th inst., was adopted by a vote of 6 to 5.

DR. H. H. CARLTON, SWORN:

Mr. Glenn. Just state to the committee your connection, from the beginning to the end, with the indorsement of the Northeastern railroad bonds, how you came to be interested in it, and what you did, and what connection you had with Mr Murphy. A. Gentlemen of the committee, as I am perhaps a peculiar witness in this case, it may not be out of way for me to say, that I deem it not only a duty to act in obedience to your summons, but a privilege, to come and tell what I know against what I consider a very unjust charge against innocent parties.

My connection with this Northeastern railroad is so long and voluminous that I cannot, of course, give it all. I will be as succinct as possible. The Georgia railroad, at the instance of the people of my section of the country, in convention assembled in Augusta in 1869, I think it was, though I may not be accurate as to dates, for my memory is bad on them, ordered that the board of directors proceed to extend the Athens branch railroad to Clayton. They failed to do that, and we, feeling that our only hope was lost, and that we might be cut off entirely from the commercial world, by the building of another parallel line, immediately proceeded through some of the members of the city council of which body I had the honor to be a member, to get up a bill, which is the charter of the road known then as the Athens and Clayton railroad, and was afterwards changed to the Northeastern railroad. Captain Erwin, of Athens, was delegated to draft the bill, and came up to Atlanta to introduce it. The session was nearly out

CONTINUED FROM THE SECOND PAGE.

ness upon my part that was manifested would just as likely to do me harm as anything like indifference, and said I, "Taking your own standpoint, suppose that I were to have this matter settled; suppose I were to have this fee paid back, how would it relieve me from the damaging suspicions and inferences that might be drawn out of these conversations between Morrill and Murphy, as you report them? How would it relieve me? Would it be in any better light? Would it not be said by the country, when it became known to the public, that I had done it for fear that there might be something concealed and hid; and that I was, therefore, anxious to have the matter settled up, and the money paid back; and how could I do that, unless I had come of it? Taking your own standpoint, it would be worse to have it settled up than to let the matter stand, or go on and be rectified, as it might." He seemed to conced that that was suggested—that it was important, because one conversation was upon the line of damage that I might sustain from a general discussion of this matter. He then said: "Well, it is due to you that you should dismiss Mr. Murphy."

I will state, before that, when I had told him that these gentlemen had denied it—that Mr. Hill remarked: "Well, I don't understand that. I shall have to bring these gentlemen face to face." It was not a proposition to me; I did not so regard it; but I supposed that he intended to see them with a view to see whether or not he could have this matter arranged. And I have no recollection, whatever of any propostion being made to me to send for these parties, and to confront them and him in person; but his remark was just a casual one; did not seem to be a matter of much import, as if surprised at the absolute denial of these parties, and he remarked, in a casual, indifferent way, "Well, I don't know but that I shall have to see these gentlemen face to face." I then said to him, "Suppose you see Mr. Murphy yourself." My idea was that I was not the party to settle this matter; but that whatever there might be between them as to the settlement of this fee, and to paying back, that the matter rested with Mr. Murphy. Mr. Hill said, "No, I cannot see Murphy; he is a bad man. I do not wish to see him." I told him, "I have no control over Mr. Murphy; he is not an appointee of mine; he does not stand in any confidential relations to me; an order upon my books would have no more effect upon Mr. Murphy's position in this department than upon a book-keeper's in any bank or in any private business; he is under no control of mine at all. His relation there to the treasurer is altogether that of a subaltern," and that I did not see that I could proceed on that line with any sort of propriety. He says, "Well, I think you ought to do so, and that he ought to be prosecuted." And he then mentioned the case of Mr. Ben Hill, jr., the case, if you remember, where he had a young man employed in his office, to assist in drawing up bills of indictment, and where he had suppressed a bill, upon charge of having been paid, and that Ben's conduct in that matter, he thought, was very creditable and praiseworthy. I made no special response to these matters. But as the case then stood before me, while I did not deny nor doubt what may have been the conversations that Mr Hill reported to me, as to their truth, yet Morrill and Murphy both had said to me that Murphy had had no such conversation with him at all, that they had made no declarations of the kind, involving me in it, in any way, shape or manner. Our interview closed, I think, by Mr Hill's declaring, that whatever there might be that was hidden in this matter, that he intended to bring suit against the rolling-mill, and garnishee Mr Murphy; and of course I would be a witness, and that all these facts would be a subject of explanation.

Mr Glenn. On that point about Mr Hill's telling you to prosecute Murphy, Mr Hill's idea was to prosecute Murphy for making false representations to Morrill? A. Yes, sir.

Q. Your idea was that Morrill had denied that Murphy made such representations? A. Yes, sir; Morrill had denied it; Murphy had denied it.

I believe that I have gone over the interviews and conversations with Mr. Hill.

Senator Hill. Governor Colquitt, did I not tell you in that interview that there was no chance to suppress this matter, that it was bound to come out, that Governor Smith knew it, that Hugh Haralson was talking about it on the streets of Washington and that there was, therefore, no chance to suppress it? A. You told me that in the second interview.

Q. And did I not tell you, therefore, it was due to you not to let your enemies take the initiative, and that by making direct issue with Murphy you could do that yourself? A. Yes, sir.

Q. And was that not the whole purpose of that interview, not to suppress, but to prepare yourself to meet it? A. I will state that the matter of the fee, the contested fee, was not regarded as a matter of very great importance, though I felt that you had some kind of complaint against me for not having an opportunity to get your fee by informing you to be here. This first conversation we had, I supposed, was designed entirely with a view to have this fee settled.

Q. Did I say "settled" in that whole conversation? Did I use that word? A. When I say settled the idea was that this fee was to be paid back.

Q. Yes; your idea. Did I say so? A. I think you did.

Q. Did I say settled that fee at all?. A. I do not know that you did, but that this money should be paid back.

Q. Didn't I tell you upon the ground that if the representations as made to you were true that Murphy got this money upon your official act; that he was an employee in the departments, and you must not permit that; that you must make him return not my fee, but for the purposes of repairing the wrong committed in your name? A. That is true, but still the argument was this: there was nothing said about repairing any wrong; the idea was that Mr. Murphy must pay this back. And I was so impressed with it that before I had a second interview I mentioned to Mr. Murphy that it might be better for him to make some arrangement, if there was anything he could do properly. He replied that his fee was honestly and legitimately obtained, and that he should not pay it to Mr. Hill or any one else.

Q. Let me call your attention to an expression. Did I not tell you that the fact of Mr. Murphy, a subordinate in the executive department, making such an enormous sum, or any sum, upon your official act was a crime against you personally, a crime against your office as well as against the public? A. I think you did.

Q. And that it was your duty to have it corrected, because it was a crime committed in your name? A. I think you did; and my response to that was—

Q. This was the first interview? A. No; the second interview. I do not connect this with the first interview. My response to that was this, that there was no evidence, as those parties denied it, that this had been practiced against my office; and that Mr. Murphy was not properly a subordinate in the executive department.

Q. Do you remember that I told you that Murp y's taking this money was a crime against you, a crime against your office, and a crime against the public? A. I do not remember whether it was put in that form or not. The general purport of your remark was that I ought to be relieved of any suspicions that might arise out of that fact, by having Mr. Murphy pay back this money.

Q. Did I say a word about paying back the money in the second conversation? A. It was just referred to. Up to the time that Mr. Murphy and Mr. Morrill had denied it, there was no pressure about it in the second conversation. The first interview was confined solely to the fact of having Mr. Murphy pay back this money. There was nothing said in the first interview about dismissal. But in the second interview, after I had told you what the declarations of Mr. Morrill and Mr. Murphy were, then you urged that he should be dismissed, and that I ought to take the initiative.

Q. And that you should state to the world that you did not countenance or tolerate the act of Murphy, and that you must not wait for your enemies to make the charge; that you yourself must take the initiative, and when I said you ought to have Murphy dismissed, you replied you did not have any control over Murphy; and didn't I insist that you could have him dismissed, and that in my judgment you ought to instruct the solicitor-general to indict him, whether the representations were true or not; and that you should go before the grand jury and testify under oath that if Murphy had made any such representations they were false? A. I do not remember the latter part of that. You did suggest to me that I should have him dismissed, and that he ought to be prosecuted. But there was no admission, if you will remember, at the time, that there was any false pretenses, because the denial had been made.

Q. Stop, governor; don't you remember this: I was talking to you upon the assumption that your enemies were going to make the charge, not upon the assumption that the representations were true or false; I told you without reference to whether they were true or false that your enemies were going to make the charge, and I was satisfied now it could not be suppressed whether true or false; the whole object was to protect your reputation. Didn't I tell you that? A. So you did.

Q. And that as you were informed in advance and there was now no doubt that your enemies had all those facts, and that they would make the charge, and it was important for you to take steps in advance, and let the world know that you were in no way connected with it? And didn't I illustrate that with the instance that occurred in the office of my son, and showed you how his prompt and vigorous prosecution of the offender completely vindicated him? A. Yes, sir. In the second interview, as I say, the conversation turned upon the fact of my making this move against Murphy, and that I should take some steps or suggest to the solicitor-general to have him indicted under the charge of false pretenses. That was just before we closed our conversation.

Q. And that the indictment being preferred, you should go and testify, that if such representations were made they were false? A. I don not remember that.

Q. Did not I tell you ag in that so far as suppressing the thing was concerned, it was impossible; there was no use to talk about that, because even if your enemies had not got hold of it, I should bring my suit for the fee, and I should base my cause upon the assumption that Murphy had got this money under false pretenses, and I should expect to prove it by you? A. Yes; while I do not remember the particulars of the conversation—

Q. And that therefore that matter would certainly come out? And did I not tell you that in my judgment the only way in the world to keep from smirching you or making the world believe you were guilty, whether you were or not, or all your enemies at least, that the only way was to make a direct and vigorous attack against Murphy? A. That was the substance of the second interview—that I should take some steps to have Murphy discharged.

Q. Didn't I talk about protecting your reputation? A. Yes.

Q. Didn't I say to you that the question whether you felt guilty or innocent was not the question; but the question was what the world would believe about it? A. Yes, sir; it covered a great deal of that ground; but I do not now recollect about it.

Q. Don't you remember my telling you that Morrill would not deny, in my presence, that he made those statements to me? A. I do not remember. Yo may have done so.

Q. And don't you remember that I said, "Send for Morrill and Murphy now; that this is a matter too important." A. I do not.

Q. Don't you remember that you said for me to see Murphy myself? A. I did.

Q. And did not I reply with a good deal of emphasis, "No. I will not see Murphy; I will not have anything to do with Murphy; Murphy is a bad man?" How could you understand me as intending to bring myself and Murphy face to face, when I told you I would not see Murphy? A. That was before I told you to see Murphy, when you mentioned to me what had been done, and I told you that they both denied it; and you then remarked, "Well, I do not understand it; I shall have to see them face to face." But no proposition was made to me to send for them. It made no impression upon my mind, because I would just as soon send for them as not, because there was no objection to it in one way or the other. I would have sent for them as readily as not, if I had felt there was any satisfaction in the inquiry. It was subsequent to this when I told you to see Murphy. The whole idea upon my mind wa, up to that period, that it was with a view to have Murphy pay back the money he had received. Hence I said, "Suppose you see Mr. Murphy yourself."

Q. You do not mean to say that that was in relation to paying back the money? A. Yes; I did.

Q. That might have been your idea, but you did not say that to me. A. No, no; I did not say that; but it was in my mind to say to you, "Suppose you see Mr. Murphy yourself; it is a matter that I have nothing to do with." And right there, let me say, in your testimony it would seem to have been implied that I was a little culpable, because I did not send for you in the delay; that you did not hear anything of it. It was my expectation that you would come and seek me in the matter.

Q. Was not my whole second conversation, especially after I had ascertained the facts, based upon the idea that this matter was going to be brought out, that it could not be suppressed, and was not going to be suppressed, and that it was important for you to take steps to protect your reputation from suspicion and doubt? A. Yes, sir; the conversation we had had, after I had told you of the investigation I had made; the conversation then turned, as far as I remember, entirely upon the fact of Mr. Murphy's dismissal and instituting proceedings.

Q. The idea was that you were to make a direct issue with Murphy, to show that you did not approve of his action? A. That was about the idea.

Q. Didn't I tell you to say, that if he had made any such representations, they were false? A. I do not remember about that. You stated to me your conviction of my innocence.

Q. Yes; and didn't I tell you I wanted you to make affidavit of that fact in court, or somewhere? A. I do not remember that it was before the grand jury. The only reference to my being in court was, that when this matter came up for investigation before the court, then I could give my evidence.

Q. Didn't I want you to take steps in advance of any action before your enemies? A. Yes, sir; take steps to dismiss Mr. Murphy.

Q. Did you indorse those bonds through the influence of Mr. Murphy? A. No, sir; I do not know that he had any more influence than any one else. He bought up his portion.

Q. Were you influenced in indorsing those bonds by that parol evidence of legislative intention? A. I regarded that in this way. I will state that I was seeking to be as well fortified as might be by the opinions of every man in the state of Georgia that I could get. The opinions which were furnished me by the members of the legislature were important to this extent; not that it was an interpretation of the law; not that a judicial tribunal would say it was a proper interpretation of the law, that the law and resolution would speak for themselves; but that the public mind, I knew, would rest very greatly upon the fact that the legislature itself, which had passed it, had declared it was their intention and will; not the real judicial way of determining what the law meant, but it would have its effect upon the public mind. That was one consideration; and another—that is that the faith of the state was plighted, as I felt, to this railroad. It might be said, "Won't these men, of their own selfishness and their interest in the railroad, have construed that the faith of the s ate was plighted to them, when it was not, and that they had to take care of themselves?" Then if the members of the legislature, the president of the senate, the speaker of the house, and lawyers that were there, if they themselves believed the state's feith were plighted, the very men that enacted the law, it might be assumed with perfect propriety that these men who were not here and were not the law-makers, that they might say that the state's faith was plighted. That was the importance of that paper to me. It did not influence me in my action, because my own judgment in the matter was distinct and clear; so far as the obligation was concerned, upon my part, it was just as strong at one time as upon another. The whole object I had in view was, if possible, to defer it to the legislature.

Q. Is there anything in that statement that expresses the true intent of the legislature more strongly than the resolution of the lesislature? A. I do not think that there is.

Q. Don't you understand that a resolution passed by the legislature, declaring its true intent and meaning, was much stronger than the expression of a few members? A. It was quite as strong.

Q. Did you know that Murphy was interested in it to get a fee? A. He told me that he was interested just generally. He said he was interested.

Q. And you knew he was a clerk in the treasurer's office at the time? A. Of course, I knew it.

Q. He did not tell you how much he was interested? A. No, no; not at all; he did not.

Q. Did not you tell me that you had made up your mind to indorse those bonds in our last interview? A. No, sir; I do not so understand it.

Q. You said that you could prove by me, in that first interview in August, when it was reported that Murphy had induced you to sign those bonds, and made this impression upon the company, that nobody could get the indorsement but Murphy—you said to me, "Ben, I can prove by you that in our last conversation I told you I was going to indorse them?" A. Not that strong; I asked you this: "Didn't you suppose, after our last interview, that I was inclined to sign them? didn't you suppose this?"

Q. Didn't you mean thereby to impress me that you had made up your mind before, and that Murphy had nothing to do with it? A. No; not that; but that the tendency of my mind was to sign the bonds, but in order to prevent you from assuming the fact that I would sign the bonds; don't understand from such an inquiry as this that it is my purpose to sign them.

Q. When you said you could prove it by me that you was about to indorse the bonds, and that you told me not to tell my clients what was your object in telling me not to tell my clients? A. I had not made up my mind, and I did not want the declaration made when it was not true.

Q. Did you indorse those bonds under any influences offered by Murphy? A. What sort of influences?

Q. Anything said or done; arguments, or statements made; anything said, or done, or argument made of any kind, or character? In other words, would not you have indorsed those bonds anyhow, if Mr. Murphy had not been in existence? A. I do not know but that I might. I might have done so if I had had nothing in the world before me

Q. What did Mr. Murphy say, if any. thing, to you to convince you to indorse them, that had not been alreany said? A. I do not know that he said anything.

Q Did you not recite fully, correctly and truly, in your order, the reasons fo having them signed? A. I think so; I generally do state the reasons.

Mr. Preston. There was a letter read here the other day, from General Toombs, from your office; did that contain his opinion? Did he state in that letter that you ought to sign the bonds? A. I had only one letter from General Toombs.

Q. That was one of the legal opinions you got on that subject? A. Yes, sir.

Q. Do we understand you to say that Mr. Hill also gave it as his legal opinion that you ought to sign those bonds, as did Bacon and others? A. Yes, sir; and there were divers others. I referred to them in my message, because they were the more prominent men. I had interviews with the lawyers coming in here about the supreme court. I referred to them particularly, because they seemed to be the most eminent.

Q. Do you know of any other legal authority of any sort, or persons to whom you could have referred and obtained any better information to guide you, on that subject, than you did get? A. None whatever. I supposed I had the opinions of the best legal minds in the state of Georgia.

Q. And you acted upon that, together with your own views in the matter? A. Yes, sir.

Mr. Cox. Did you ever read the opinion of the attorney-general, Hammond? A. Yes, sir.

Q. Do you remember the last clause in that opinion? A. I do not remember it. I have not read it over from that day to this.

Q. Did you ever have the question referred to you as to the constitutionality of the act in regard to state aid? A. I do not remember.

Q. Did you ever get an opinion from an attorney upon that subject? A. You mean the constitutionality of the state aid act itself on the ground of its title?

Q. Yes, sir. A. The question came up before me, and my impression was that in looking to it the original record showed that the bill did contain the provision giving the right to this company.

Q. Did you ever look into the original of that act, signed by the president and speaker of the house? A. I did. I had it before me. The reason that I remember it was, that there was a question made here in those tax cases in which the state was interested, in which that very question was to be discussed by the supreme court. And I was cautious, for fear by my own decision in the matter whatever I might do would be a declaration that it was not important to have it in the act. I became satisfied that it was in the title; that it was an exception and therefore did not govern in the rule laid down.

Q. Did you ever examine that question in reference to this case? A. Oh, yes. I did in reference to this case. My recollectien is that I thought this case ought not to stand upon the same footing, because, as already declared, whether the clause in the title was published in the act itself or not, it was published in the journals. In the original act itself there was a clause that covered it in the title. I may be mistaken, but I think the journals will show it. I remember looking into the question. I do not know that it was presented in any formal way before me by any lawyer.

Q. It was presented in the opinion of the attorney-general. A. Probably it might have been. I know that my attention was called to it.

Q. That was what called my attention to it. A. I think that the conclusion I came to was that so far as the records were concerned, before the resolution, it was not a question in this case.

Q. You then had the point on your mind and decided on it? A. I did.

Mr. Glenn. Governor, you say that Mr. Hill advised you to discharge Murphy; was not his advice to discharge Murphy upon the ground that Murphy, in his conversation with Morrill, had stated falsehoods, had made false representations and thereby obtained his fee under false representations? A. Yes, sir; and that he had involved me by making false statements and producing an impression, and a wrong impression, upon Morrill's mind that I was in some way interested.

Q. Mr. Hill's idea was, that when Murphy told Morrill that nobody else could get the indorsement but him, and that there was an old man that had a big office and needed money, that they were false; that when Murphy made these statements he knew they were false, and therefore Murphy had obtained the money under false statements, and that he ought to be prosecuted for it? A. Yes, sir.

Q. And was not that Mr. Hill's idea? A. I think so.

Q. Did Mr. Hill ever advise you to discharge Murphy for the simple fact of taking the fee outside? A. That was not discussed. It was upon the ground that I was involved in these false representations that were made, and that it was an outrage. I so declared to him myself.

Q. I will ask you, if Mr Hill ever advised you to discharge Murphy simply for taking the fee? A. I do not know that that ever came up. It was involved in the fact that these representations were made by Murphy, and that he had practiced a fraud upon me.

Q. And had practiced a fraud upon Morrill by making false statements? A. He put it upon the ground that it was practiced upon me.

Q. Did you tell Murphy to give this money back? A I intimated it to him just because I did not intend to advise him specially; I said to him that he had better look into this, and see what can be done with it. I said it with a view to avoid any controversies and difficulties, that he had better see about it. Mr Murphy remarked to me that he had obtained it legitimately, and that he did not feel like paying annthing back.

Q. You say to avoid controversies; do you mean between you and Mr Hill, or between Mr Murphy and Mr Hill, which one? A. Between Mr Murphy and Mr Hill. I am giving more impressions, than absolute conversations, because they were general and names were not called every time. These things were mentioned; but all my idea in mentioning that to Mr Murphy was that there would be some controversy or suit, and that he had better look to it and see something about it.

Q. Do you remember whether Mr Hill urged you or advised you to send the attorney-general before Judge Rice? A. I do not remember about that. It is very likely that he may have. I do not recollect, however, at present. I heard the testimony upon that, but I do not recollect it. I do not dispute it.

Q. You did send the attorney-general? A. I did.

Q. Didn't you consider that paper that Mr Murphy produced to you, signed by Mr Bacon and other prominent members of the legislature a very strong backing to a governor in indorsing these bonds? A. I think it was a very good paper. I felt this about it, that it was not the convincing argument with me, but that it would be a very strong paper before the country, and showing the fact of the moral obligation of the state to the road.

Q. I will ask you if this is not true, that no one thing made you indorse those bonds? A. Of course there was no particular, single, solitary fact, or argument; but all combined made me.

Q. Did not Mr. Hill's argument have convincing force? A. He made a good argument to me. I remember some portion of it now. And that portion, probably, I had as well state now, because it will be stated after awhile. I remember Mr. Hill made the argument that it was an undecided question, and produced the last letter of Governor Smith with a view to show that he had not decided the question at all.

Q. Did you think, after Mr. Hill had given you that advice to prosecute Murphy, you could prosecute him for obtaining money under false pretenses, when the very man to whom the main falsehoods were alleged to have been stated had denied that he had stated them? A. I did not so think at the time. I had the solemn declaration of Mr. Murphy, made solemnly and emphatically, and Morrill's, too, that he had not made them. And while it was a matter of interest to me, he made his asseverations very strongly, and so did Mr. Morrill. I had no other evidence except Mr. Hill's statements of the conversations with Mr. Hill, and that they denied.

Q. I do not know in your statement whether you denied knowing about Murphy's fee and getting any of it or not. It is almost an insult to ask you. A. I think I stated it before the committee.

Q. It is true that you did not know that he was getting a big fee? A. No; I did not. The only remark that he made about it at all, I supposed that it was general and with a view to account for his proceeding in the matter. He and Dr. Carlton were together. He seemed to be sending parties to me.

Q. Of course, governor, you got none of that fee? A. I so stated it.

Senator Hill. Don't you remember my stating very strongly to you, in urging you to take steps to separate from Murphy, that the very fact that Murphy got $8,000 would convince the world—at least the world would believe—that that company would not have paid him $8,000, except upon the belief created by him in some way, that they otherwise could not get the indorsement? A. I think that your remark—and I am not very distinct about it—was that in giving these conversations, after we had discussed the matter and these denials had been made, you mentioned, as a circumstance that would strengthen any suspicions in the matter, that the world would think Mr. Murphy was not entitled to $8,000 by reason of his legal ability.

Q. Didn't I say to you strongly, that it would be impossible for anybody to believe that that company would pay Murphy $8,000 except upon the belief created by him that they could not otherwise get the indorsement? A. I do not remember that it was stated in that way. The idea was that it would be considered a single circumstance in connection with those other facts, that he received that amount of money; that his legal reputation was not such in the state as would readily account for it.

Q. Didn't I say this very thing, that the world would believe that they had to give $8,000, but that his legal ability would not command $8. A. I do not remember about that.

Q. Didn't I press it upon you the necessity of taking in view this fact, that he had received $8,000? A. I think not; my recollection is that it was upon the ground that Murphy had committed upon me an outrage.

Q. Didn't I say the outrage was upon receiving the fee upon your official duties? A. Exactly. Upon the fact that he had made professions of the fact that he could have it done if he was employed.

Q. Don't you remember I said to you that you ought not to allow subordinates in the office to take fees on your professional acts? A. I do not remember about that; it is very likely you did. I remember the discussion went upon these grounds, that he should make a profession of having an influence with me by way of getting fees.

Q. Don't you remember that I told you that even I, outside lawyer as I was, having no connection with the executive department, had never allowed myself to take a fee, in any matters relating to the executive department, and that I would not, even in this case, have taken a fee, unless it involved a matter in the courts? A. I do not remember that it was stated in that negative form. You did state, I remember, that you were employed in this case before the courts, and that it led you incidentally before me.

Q. Didn't I say I would not take a fee in any matter before you simply? A. I do not remember about that.

Q. And when you said to me that Murphy said he had an interest in it, didn't I tell you, "Why, governor, you ought never to allow a clerk in any department to take a fee in any matter before you?" A. I do not remember it.

Mr. Hammond. After you became aware of the facts of his employment by the rolling mill company, and the receipt by him of this money, did you fail to direct his discharge by reason of the fact that under the law you felt that you could not reach nor control that matter? A. I knew I had no authority over it; none in the world. On the contrary, it was a matter that I thought very doubtful to experiment about issuing an order or doing anything about it. I remember I talked with Mr. Toombs about it, and he said any attempt of that sort would look as though I were attempting to unite the sword and the purse, that they were set apart, and wide apart; and that I had less to do with that department than with any other department in the government. And that was the view I took of it.

Q. Was there any other reason that led you to refrain from taking action in that matter? A. I do not know, Mr. Hammond. There was none of any personal character that I know of. The reason that I have given already was that there had been these denials upon the part of these gentlemen who were supposed to practice upon me jointly. But that was denied. I had no facts at all.

Q. But the reception by Mr. Murphy of the fee was not denied at the time? A. No, no; that had not been.

Q. You did look into that matter, then, of your powers in reference to it? A. Oh, yes; I did. It came up when Mr. Toombs was in my room. I very well knew the limit of my power in the matter.

Q. You state that as the reason that controlled you in the matter? A. I had no authority whatever to do it.

Q. No other reason occur to your mind? A. None at pressent, except the fact of the denial of the parties. If Murphy had implicated me, I might have taken some steps with a view to have the matter before the legislature, and requested them to do something.

S. B. HOYT, RECALLED:

Senator Hill. Mr. Hoyt, when I approached you, did I not tell you distinctly that my object was to ascertain what interest or connection you had with this transaction; and did I not explain to you the reason was that I was inquiring into it to see who was liable for that money, and that I did not want to distrub you, unless the facts showed you were liable? A. I do not think you put it in that shape; I think you put it in this shape: you told me you were running the thing down; that you wanted to find out all about the matter. Your remark to me when you first came in was, "Now I want to know all about it."

Q. Wasn't it your connection with it, what interest you had in it? A. That was before you told me what the affair was. It was in a kind of pleasant bantering way. You might have remarked that you wanted me to tell you, "out with it!" or something of that sort. I did not consider it offensive at all. I then asked you what it was and you told me about this fee that had been paid by the Rolling Mill of $8 000. And then you went on to ask me what my connection with it was.

Q. Didn't I tell you I wanted to know exactly what connection you had with it, and what interest you had in it and, why you received that money? A. Something to that effect.

Q. And didn't you reply, "Mr. Hill, did I receive that money?" A. Yes, sir.

Q. I said "yes, you received it and gave a receipt for it." Do you remember that? A. Yes, sir.

Q. And you said 'well, who has my receipt?" A. I do not remember that.

Q. And did you not then say to me "Mr. Hill, I never obtained a dollar of it?" A. No, sir; I did not put it in that shape.

Q. What shape did you put it? A. I simply said to you, that whatever there was about that transaction, my connection with it was in a fiduciary capacity.

Q. I will come to that directly. Didn't you tell me that you did not obtain a dollar and hadn't a cent's interest in it?" A. I did. During the conversation I put an "if," however, I am going to explain that. What I said to you was this, that whatever connection I had with the transaction was in a fiduciary capacity, and, therefore I did not feel at liberty to talk of it without the consent of the other gentlemen interested in it; but that if I received any money I did not retain a cent of it.

Mr. Hill. Ah! that if you received any money you assured me that you did not retain a dollar of it. A. Yes, sir.

Q. Did I not say to whom you paid it, and your reply was, "I do not wish to say?" A. My reply to that was that I could not say without consulting other parties.

Q. I asked you the question to whom did you pay that money? A. It virtually amounted to that.

Q. And you said you did not wish to say? A. Until I consulted with the parties.

Q. Did I not say to you, judge, "You know what that is paid for?" Did I not? and you said with a shrug of the shoulders, "It was paid to procure the endorsement of the bonds." Didn't I say, "Well now, Judge Hoyt, I know to whom you paid it, you paid it to Murphy?" A. You said that.

Q. You need not consult them as you paid it to Murphy, and didn't you say "Well I don't say" A. I think I said that "I don't say."

Q. Didn't I say to you "You certainly did not pay any of it to the governor," and wasn't your reply "Well, no, and I don't believe that the governor got any," but that the facts look mighty curious A. I didn't say that.

Q. Didn't you say that? A. I did not.

Q. Didn't you repeat that? A. I did not; I say positively and unequivocally, I did not!

Q. And didn't I say in that connection, "Yes and I feel it my duty to tell the governor to make a direct issue for the purpose of meeting any suspicion that may attach to him? A. No sir, Mr. Hill, you did not put it in that shape according to my recollection. I remember distinctly, Mr. Hill and myself putting our feet upon the table. He was sitting here, and I here. It was a private conversation which I regret very much to have to speak of; but after I had declined to state anything, anything about whether or not I had the money, Mr. Hill remarked that he knew all about it; that he had ferreted it out; and that I got the money, "Run it down," I think was the expression; and that I had received the money; and that he knew whom I had paid it to; and therefore I need not have any hesitancy in telling him. To which I made no reply at all that I remember. And Mr. Hill sat there and studied about it a little while—a few minutes or seconds; and then remarked, that it seemed to him very strange, he could not comprehend it that after the efforts that had been made by himself to procure the endorsement of the governor to these bonds, he had failed to procure it; but as soon as Murphy had got his fee, the bonds were signed. I think that was about the substance of the conversation; and that he did not know but that as a public man, it was his duty to have the affair investigated. That is my recollection of Mr. Hill's conversation.

Mr. Glenn. You don't mean that that is all the conversation. A. No, sir; so far as Mr. Hill's questions extended.

Q. That is all so far as Mr. Hill asked you about? A. Yes sir.

Mr Hill. What did you mean by your connection in a fiduciary capacity? A. As a banker there at that time, president of the Atlanta Savings Bank. And I regarded that these gentlemen had come to me because I was a banker.

Senator Hill. I will simply say to the committee that the conversation between Judge Hoyt and myself was very short. I had discovered that he had received the money; that it was in his name. I found out too, that the contract was in his hand-writing and that the receipt for the money was by him on the back of the contract. Murphy didn't appear anywhere about it. I was very friendly with Judge Hoyt, and I went to him simply to ascertain his connection with it and I said to him, "Now, Judge, you had as well tell me all about it, because I know all about it, as to what connection you had about it." He seemed a little reticent, and threw his eyes up in a way peculiar to him and said, "Did I receive that money?" I thought it was very singular. Said I, "You certainly did give your receipt, as it is in your own hand-writing." Said he, "Did I give a receipt?" Said I, "You certainly did sign it," or something to that effect. Said he, "who's got my receipt." Said I, "Mr. Morrill has got it." "Eh!" Then I said, "now, Judge, tell me exactly what interest you have got in it; because I intend to go to the bottom of this matter; I think that everybody that paid or received this money, under the circumstances, acquired no title to it. But I don't wish to disturb you unless under the facts, I think you are liable. I therefore notify you to tell me the facts as they are, and if you are not liable I will let you go." I think he is right about that expression. He said, "Mr. Hill, if I received that money, I assure you as a gentleman I never retained a dollar of it." Said I, "What business had you to receive it anyhow?" He said, "I was a banker." I said, "To whom did you pay it?" He said, "well, that I do not wish to say." And that is the only thing he refused to say; that he did not wish to say. Said I, "Mr. Hoyt, its no use not to say you paid it to Mr Murphy, and you had just as well tell me." "Well," said he, "I don't say." Said I, "Do you know what that money was being paid for?" He shrugged his shoulders and stretched his eyes in a manner peculiar to him and said, "Well I know it was paid to procure the indorsement of the bonds." "To procure the indorsement of the bonds?" said I. "You don't mean to say that it was paid to the governor?" "Oh, no, no, no," said he, "I don't think it was; I don't believe that the governor got any of it; but I don't know." And then sitting there and hesitating awhile, thinking to himself, he says: "But the facts look mighty curious." I said nothing about that except to say, "Well, Judge Hoyt, all I have got to say about it is, my clients, in my judgment, have been wronged, in my absence, without my knowledge. If I had been here, it should not have been so. You are one of the directors of the rolling-mill yourself, and I am determined to investigate this matter." And he then said, "I don't understand it; but the facts look mighty curious" He repeated that, and the expression of his face, I can never forget, because it is peculiar to him, and made an impression upon me. His repeating that statement, that the facts looked mighty curious. Then it was I said to him, "Judge, I feel it is my duty as a public man to protect Governor Colquitt in this matter; to see to it that he shall make an issue with Murphy, so that there shall be no doubt nor suspicion against him. I want to protect him as a democratic governor, and as my friend; but as to Murphy and the balance of you, I don't propose to protect you." The only allusion in which I used the word "doubt" at a l was that I felt it my duty to protect the governor and have him make a direct issue with Murphy, so as to protect him from any suspicion or doubt in the matter. The idea that I said anything about my fee, or that I would require the money paid back to get my fee, was utterly untrue. I never said so to Hoyt or anybody else. I applied to Hoyt to see whom I should garnishee; but I never connected my fee in any manner with the public scandal.

Q. You put a garnishment on Mr. Hoyt at the same time that you did on Murphy? A Yes sir.

Q. Did you put one on anybody else? A. No sir; I had purposed putting one on the Citizens' bank; but Mr. Thompson with whom I consulted advised me not to garnishee the Citizens bank; because he said the Rolling-mill Co. was still owing the Citizens' bank more than that amount, and therefore a garnishment would not procure any result.

Q. Upon what idea did you garnishee? A. Just as I stated; that everybody who had anything to do with receiving or paying out this money, knowing the object of it, was liable.

Q. So you went upon the idea that Murphy obtained the money under false pretenses; or upon the idea that he used the money corruptly with the governor? A. "No, no; my whole idea has been that Murphy obtained this money without consideration, and without a knowledge of the real directors of the rolling-mill. Secondly, that he obtained it from Mr. Morrill, by making Mr. Morrill falsely believe, by what particular representation I do not know nor care, but that he falsely made Mr. Morrill believe that the indorsement could not be procured, unless this money was paid to him (Murphy). That is the ground upon which I go. I am satisfied, first, that he obtained this money without the consent of the rolling-mill, without their knowledge; and the facts show that they did not know it until I called their attention to it, and that he procured it of Mr. Morrill, the president, by making him falsely believe that he could not get the indorsement without paying him the money. I have never, on any occasion, to anybody, under any circumstances, mixed my fee, or my right to collect this fee, in the slightest manner with this public scandal. I regard it that Governor Colquitt, doubtless honestly, has drawn inferences that I said, "settled the case," and he applied that to my fee; but I never once used the word "settled" to Governor Colquitt. That is his inference. I never said one word to Governor Colquitt, directly or indirectly, about the subject of my fee, except in the manner I have already testified, asking him to give me notice when he signed the bonds, in order that I might save my fees. And it is due to truth to say that I did tell the governor my object in requesting that notice; and that I made the request twice, in order to save my fee, and that he said that he would. In these two interviews, the first was the 24th of August—

Governor Colquitt. The 24th was after I returned from Chatauqua.

Mr Hill. It was in this first interview. My main object was to inform Governor Colquitt of the facts, just as Judge Tripp had advised me that it was my duty to go and communicate the facts to the governor. Tell all to Governor Colquitt, that was the main object of my first visit. I felt it was my duty; and Judge Tripp affirmed it was my duty. I laid the facts before him, just as I testified; I did suggest to him in that interview, that he ought to make Murphy return the money, using the expression, as in my first interview, "because he has got it under false representation or by creating false belief of his influence upon your official act. And you ought especially to take action in the matter." That is all the advice I gave him at the time and that was a suggestion. I didn't go into advice. I said nothing in the world about settling my fee. I never went to him, and never intended to go to Murphy about my fee. I never thought of the fee in connection with them. Between the first interview and the second. Gov. Colquitt is right; I did not expect him to send for me. I did not intend to return, but between the first and second interviews, I had this conversation with Hoyt, also this second conversation with Morrill; in which I saw writings for the first time. I also learned from Judge Tripp, that Gov. Smith had come into possession of all these facts, and I remember that Mr. Haralson had said something about it in Washington City, and I became thoroughly satisfied, that Gov. Colquitt's enemies were going to take hold of this matter. In fact I had heard that they were going to do it, and demand an investigation. It was for this reason, that I was so anxious, in the second conversation; and the whole purpose of the second conversation was to impress upon Gov. Colquitt that, in order to meet this issue, as his enemies were going to make it, he must take the initiative; that he must make a direct and vigorous issue with Murphy, in any form he pleased. I suggested that he demand his dismissal from the treasury. I suggested that he instruct the solicitor general, to prepare an indictment, and I did say to him then, "Let this question go to the court and testify under oath that if Mr. Murphy made any such representation as to induce the company to believe that the endorsement of the bonds depended upon the payment of money to him (Murphy.) That these representations were false. But if you don't, your enemies will take the initiative and the world will believe that there was something wrong."

I was earnest, as he says: I reminded him of my friendship, of our relationship, and of the excellent character he had made before he came back from Chautaqua, and of the fine reputation he had over the country. I told him "my object is to protect your character. I would not have you smirched in this matter for the Atlanta Rolling Mill and every thing else."

I want to state emphatically, that I called the Govenor's attention to this. It is the only matter at issue between us; though these are matters of recollection, I am very confident, because I know what my purpose was.

I told him this: "Governor, it does not matter, whether Murphy made these particular representations or not; he got $8,000 while he was clerk in the treasurer's department, upon your official act. This is a crime against you: it is a crime against your office; it is a crime against the public. You must take the initiative against him."

And I did say, I would not see Murphy: I would have nothing to do with Murphy; that Murphy was a bad man. I am satisfied now he misunderstood me; but I did say to him, when he said Murphy denied these expressions, "Bring them up now face to face; Morrill will n t deny before me what he has said." There is the point between us. There was no purpose to settle any thing, no purpose to suppress any thing. A fraud against an administration cannot be entrusted to me, as a secret. But I thought my duty was discharged, when I communicated the facts to the govenor. But my whole supposition was, that it was coming out anyhow; that it would be a subject of investigation; and my desire was to prepare him to meet it: I never had any motive in that, but one of kindness, and to protect the democratic party in the state of Georgia. That was what I was anxious about. I did not think Mr. Murphy could injure the party much: I thought the govenor of the State might.

Mr. Glenn. In your first or second interview, or in any interview with Gov. Colquitt, did'nt you suggest to him, to make Murphy pay that money back? A. That was in the first interview. But in the second interview Gov. Colquitt said to me that he doubted that he could make Murphy return it, or something like that, because that would look like something was wrong. I never wanted him to make Murphy return the money, to suppress the matter, but to right a wrong.

Q. On your client? A. On any body. My idea was that Murphy had got money on account of the official act of the govenor; and my object was to make Murphy return it.

Q. After you concluded to sue for your fee, didn't you tell Thompson, the attorney of the Rolling Mill company and one of the witnesses, that you didn't purpose to bother the Rolling Mill for your fee? A. Oh, no, I expected to get it out of Murphy. I told Thompson this; "Thompson, if you will take the case, you may go on and pursue Murphy, and represent me, in this garnishment."

Q. And he declined? A. He said he would see about it.

Q. Didn't you tell Thompson, that you did not propose to injure the Rolling Mill company about your fee, but get it out of Murphy? A. I told him this: that, in view of the manner in which the Rolling Mill had been treated, I would be willing to settle with them upon easy terms; that I would waive the contract, and go upon a quantum merit.

Q. If Mr. Murphy had paid back this money, would you have got your fee? A. I don't know.

Q. Wouldn't you have tried it? A. No more than I am trying it now.

Q. Well you couldn't get it now, because the Rolling Mill has got no money? A. Well, I don't know. I should think of course, that, if Mr. Murphy should return this money to the Rolling Mill they would be better able to pay my fee. But that has not influenced my action in the slightest degree in this matter.

Q. But did Morrill give you, as a reason for not paying your fee, that they had paid this amount to Murphy? A. He gave it, not as a reason for not paying my fee, but that they were not able to do it.

Q. Now if Murphy's fee had been paid back, would you have got your fee? A. I don't know; they ought to pay it, if they are able. I don't know whether they would done it or not; I hope they would.

Q. Don't you think if Murphy's fee was paid back, your seven thousand would be paid? A. I never thought of that, except that Morrill said. "Mr. Hill, we would be glad to pay your fee, and we would do it, if we had the money." I think I said, "I would have given my fee a hundred times over, if I had it, to save this thing."

Q. Did you mention this matter, this scandal, to Mr. Banks, in Washington city, before you came home? A. Yes; and the only man I did, Mr. Glenn, in Washington, that I can remember. I was very careful about this matter, though I must confess I never intended to keep it a secret. I intended to communicate it to Gov. Colquitt, expecting him to do the balance. But this occurred in this way. Mr. Harralson astonished me, by saying that he was going to prove that Gov. Colquitt got $8,000 from the North East R. R. Co., for endorsing these bonds. I was very much astonished at it. I did not know that Mr. Harralson knew any thing in the world about it. I said "Hugh, what do you know about that? Where did you get such information?" He says "I have got it." "Well," said I, "you ought not to be talking about the govenor of Georgia that way, in Washington"—something of that sort. It passed off. At a subsequent day, when Mr. Banks was there, Mr Banks repeated the same thing in my room, what Harralson had said. That troubled me, because I saw Hugh was talking about it outside; and I did not think Washington the proper place for such talk. I do not remember what I said to Banks; but it was his mentioning what Harralson had said, that brought it up. I said this much, I remember, "Well, Jim, Hugh was talking about that in my room; but he did not understand it. The N. E. R. R. Co. never paid any money to any body, and certainly not to Gov. Colquitt. But," said I, "The truth is, I tell you confidentually, the Atlanta Rolling Mill did pay $8,000 to Murphy, because they say Murphy convinced them that they could not get the indorsement without paying the money."

Q. Was that after you received Goodnow's letter? A. That was after I had been home.

Q. After you had had your interview with Morrill? A. Yes; I knew all about it. I told Mr. Banks several things about it. For I knew that these things had all got to come out.

Q. Did you tell Banks what Morrill told you? A. I did not tell him all; I told him some of the salient points.

Gov. Colquitt I want to ask one question, in relation to Mr Hugh Harralson, if he does not know that Mr. Harralson is somewhat bitter toward me? A. Certainly; that is the statement in my interview, that your enemies had hold of it, and it was going to come out anyhow.

Mr. Preston. Hasn't Mr. Harralson stated to you, in the past few days, that he didn't know any thing about this money? A. I don't remember that he has spoken to me about the matter at all. He was at my house one evening but did not broach me upon the subject at all, and as I say to the govenor, it was my knowledge of the feelings of his enemies toward him, that made me tell him, these things were coming out any how.

Adjourned to 9 a. m. to-morrow.

TUESDAY, 26 Nov., 1878, 9 a. m.

Committee met, quorum present, chairman presiding, Govenor Colquitt present.

Mr. Glenn. Governor, when you had Mr. Morrill and Mr. Murphy before you, and you were asking about these representations that were alleged to have been made by Morrill, I want you to state whether or not Morrill expressed himself satisfied with Murphy's conduct? A. He did. At the time he made these declarations to me he denied in the manner in which I stated yesterday that Mr. Murphy had told him any such things as had been reported, and he said this was purely a business transaction between Mr. Murphy and himself with which "we are satisfied and if he has no complaint to make it is all right."

Mr. Hall. I wish to ask whether at any time pending the consideration of this matter of the indorsement of the bonds of the Northeastern R. R. Co., you made up your mind that you would not indorse those bonds? A. Never.

Q. Did you ever state that to any body? A. Never.

Q. Did you ever intimate to any body that you would not endorse those bonds? A. Not at all, not at all.

Q. One other question I desire to ask you because you failed to refer to it the other day, and you stated that you wanted to do so. That was about the statement of Mr. Morrill, that he went into the treasurer's office, and found you and Mr. Murphy in conversation; and he thought you were confused at seeing him come in you said you wanted to cover that. A. Mr. Morrill in his testimony said there was no such thing occurred. I only wanted to say it is absurd. I have no recollection of any thing transpiring at one time more than another.

Q. You are mistaken. He says the only time he saw you and Mr. Murphy in there was before he made that contract with Murphy. A. But he said there was nothing like this embarrassmet which has been spoken of, I have no doubt he has seen us in there several times.

Q. What is your habit about visiting the treasurer's department? A. I go there very frequently. Sometimes I go there when I have no business, as just preceding my meals, just drop in casually. I do it frequently; I do not suppose Morrill could have observed any more than any one of these gentlemen at coming in and asking for an advance on his pay, and I would have jumped up and walked out. They might have supposed something was wrong just as groundlessly as Morrill might have supposed so.

I neglected yesterday to recur to the proposition that I was to sign one of the bonds, and that the coupons due on that bond should be presented to the treasurer for payment, and the payment should be refused, then that would give the roads the opportunity upon the process of mandamus, of having the question brought before the court and determined. In the discussion which Mr. Hill and I had at the time I referred to this law, there may have been something of that sort said. There was no proposition; it was just undertaking to find out how we might ascertain the rights of these parties, and he, among other suggestions, suggested this,—it was not designed as any test of the legal rights at the time, because Mr. Hill at the time was urging me to sign the bonds, and the only consideration upon which there was to be any resort to the courts at all, was upon the supposition that I absolutely and positively refused to do anything. Then I said, if I did that I was not going to pass an order to sign one of the coupons on one of the bonds, that if it was wrong to sign all the bonds it was wrong to sign one of them, and therefore I did not expect to give occasion for a suit against the state of Georgia by signing one; that if it was right to sign one it was right to sign all. Mr. Hill I thought mentioned this, that this was the proposition, and I absolutely refused to let this go before the judicial tribunals of the coountry and that I did not want any test made. That is not true. It was first thrown out in the conversation, and made little impression upon my mind, and it must have made but little impression upon Mr. Hill's mind, because, in his first statement, he did not refer to it at all. I was upon that line. He was upon the other. I was upon the line of making the test before the court in the manner I had suggester to him.

Q. Why was it that you called his attention to the second section of the act of 1874. A. For that very purpose with a view to having it decided by the courts of law. I had no doubts in the world that the courts would determine it when it was first mentioned. I did not dream that the supreme court would decide that they had no jurisdiction.

Mr Cox. You do not remember that it was after the decision of the supreme court. A. I think it was after the supreme court had decided; I am not sure.

Q. Therefore that part of the litigation had gone for naught? A. Had gone for naught. I am not positive about that, but still my general purpose was, that I did not intend to make the state indirectly a party, and we had already had one suit, and I did not intend to make the state a party, for my idea was that the legislature was the proper tribunal to which I wanted to get it. It involved a signing of the bonds, after I had concluded not to sign them. I would have had to authorize the signing of a bond—the coupon—when I was satisfied that that ought not to be signed.

Mr Preston. You mean, governor, that the signing of that bond for them, for the purpose of making a friendly suit, might have raised a question before the public in reference to the suit itself. It might have been construed that I wanted to go into the suit, and bring the state of Georgia into the suit.

Mr Hall. It was your opinion that if you felt authorized to sign one of the bonds for the purpose of making a test suit, there was no reason for not signing all of them. A. Yes, sir; and if I refused one I would be necessarily compelled, by the same law and logic, to refuse all.

Mr Glenn. You had not determined to refuse them all? A. I had not, and hence that point never came up. Mr. Hill suggested that. It was only upon condition that there was an absolute and positive refusal. That is, that there was an order passed here that these bonds should not be signed and the application should be rejected. In that event, I suppose it was his design that I should give him an opportunity of making a case in the courts by signing the one.

I want to call the attention of the committee to the question asked by Mr Cox on yesterday. I merely wish to show the character of that bill from the journals. I looked for the original bill but can't find it; I remember this question came up with regard to the title, and the point as to whether the caption included all the subject-matter that was in the bill. I have no doubt that you are right in your statement of yesterday, that probably in the superscription, upon the outside giving the title, the legislature granted state aid, hat the title in the inside may not. I don't know whether we should be governed by the caption on the inside or the caption on the outside.

Mr Cox. That title on the outside is undoubtedly in the handwriting of the clerk. Those words "grant state aid" are not there on the inside, but on the outside? A. That is probably true. The bill itself is an enrolled bill—not the original bill—not introduced by the party

Mr Cox. Page 307 of the house journal of 1870 says Mr Irwin introduced the bill? A. Page 502, the house journal which I read from, says: "The house took up the report of the committee on the bill to open and construct a railroad from Athens, Georgia, to Clayton, Georgia, or some point on the Blue Ridge railroad, near Clayton, by the most practicable route and to grant state aid thereto.

"The same was reported back to the house by the finance committee, with an amendment recommending that it do pass as amended."

Mr Cox. That was the amendment proposed by the finance committee? A. No, the report was amended. It was offered in the house. The same was reported back by the finance committee with the amendment recommending that it do pass as amended. That is the report. Then the report was amended itself. In their report they amended the bill, and amended the report with the amendment. The report was amended on motion of Mr Davis by substituting $12,000 in the place of $15,000 per mile. The report as amended was agreed to, and passod as amended.

Mr Hall. Have you got anything to show what the amendment was? A. No, sir; it does not show. In the senate journal, page 109, in the year 1870, we have here the message from the clerk of the house, showing the bill passed by the house, among which is "a bills to be entitled an act to construct a railroad from Athens to Clayton, Ga., or some point on the Blue Ridge railroad near Clayton by the most practicable route, and to grant state aid thereto."

That is the bill reported by the senate, the same bill conveying this state aid.

Now the next reference to it is in this form, page 168: "Mr McWhorter moved to suspend the rules for the purpose of taking up the bill to open and construct a railroad from Athens, Ga., to Clayton, Ga., etc.," without giving the whole tittle of the act.

The phrase "etc" appears in a bill which was passed in the senate. It is entitled a bill to construct a railroad from Athens, Ga., up to Clayton, Ga., showing there is something implied by "etc."

Mr. Cox. Have you any objection to my asking you a question? A. None at all.

Q. Is an act a law unless it is signed by the speaker of the house, president of the senate, and approved by the governor? A. No; I think not.

Q. Then whatever may appear upon the journal, whatever may be the explanation of what appears upon the journal, it is not a law unless it was in the act when approved by the governor, and signed by the speaker of the house and president of the senate? A. I don't know, to take the full import of your question how it, would be determined whether a law published in the acts of the legislature, under the authority of the legislature, could be interpreted by the proceedings as they appear in the journals of either house. I don't know whether a judicial officer would go back and look to the journals for the interpretation of a law after it was published. I can't say about that, but I know the ordinary form of the passage of a bill is to go from the speaker of the house to the president of the senate and be approved by the governor.

Q. You would not, governor, for instance, have held that an act was a law when not approved by the governor, except in one of those instances where the want of that approval is provided for by law? A. I would not say regarding it, but I would ordinarily look to the published acts if I wanted to find a law.

Q. That is not an analogous case. You don t find that in the act. A. Well, not in the compilation of the acts authorized by the legislature.

Q. But in the compilation of the acts authorized by the legislature it is not found with this title? A. It is not.

Q. Therefore, in this compilation, the law does not so appear? A. No; but in the body of the bill there is the state aid; but in nearly every instance where state aid was granted and where it was included, both during the administration of Governor Bullock and Governor Smith, there is no mention of it in the title of the bill. Take the Memphis branch road, to which Governor Smith granted the aid, for instance; there is no reference made in the title of state aid. It is merely to construct a road without reference to state aid. So you will find it in regard to many of the other roads.

Mr. Humber. Might not it have been amended afterwards? A. I don't know about that. I have not looked to it since this investigation commenced. I just turned to it yesterday.

Mr. Hall. In the report there made by the clerk of the house and the senate it states that the house had passed a bill to construct a road from Athens to Clayton, and granted state aid thereto. Neither the clerk in making up his reports for the senate, nor the secretary of the senate making up his reports for the house, do they not take up the bill—isn't that the practice to take from the back of the bill the title, and state the title as set forth on the back? A. That is my recollection. I was assistant secretary of the senate, probably 30 years ago. I think that is the way of taking up the bills—taking up the superscription of the act, and then reading the body of the bill.

Q. May it not have been in this way that the clerk, in making up the report from the secretary of the senate, took the title from the back of the bill? A. That might have been so.

Mr. Cox. A change is evidently made in the house. On page 102 you will see that the bill was taken up. It was put there by the clerk when he read the title on the back of it, as a mere memoranda. He made it wrong.

Mr. Hall. I asked that question for the purpose of bringing to the mind of the members of the committee this fact: that the journal may not always be reliable as to what was in the bill, or as to what was in a bill, or what was the title of a bill.

Adjourned to 9 o'clock a. m.

WEDNESDAY, Nov. 27, 1878.

Committee met. Quorum present. Chairman presiding.

Governor Colquitt. Before proceeding to make my statement, I merely want to call the attention of the committee to the manuscript copy of this act. Mr. Cox asked me yesterday whether these acts were signed by the president of the senate and speaker of the house and the clerks. From that I infer that he supposes that this was not signed. I wish to state that the act chartering the railroad from Athens, Ga., to Clayton, Ga., or some point on the Blue Ridge railroad near Clayton, was properly signed by all the officers. The caption upon the inside is:

"An act to open and construct a railroad from Athens, Georgia, to Clayton, Georgia, via of Clarksville, in Habersham county, or some point on the Blue Ridge railroad, near Clayton, by the most practicable route."

The caption upon the outside is:

"An act to open and construct a railroad from Athens, Georgia, to Clayton, Georgia, or some point on the Blue Ridge railroad near Clayton by the most practicable route, and to grant state aid thereto."

One other item, before I enter upon the remarks I am to make. I have not seen the written evidence of Mr. Hill's statement. It just occurred to me that there might probably be some wrong inferences from his statements in connection with the first rencounter, that he had with Mr. Murphy. He refers, in his statement, to the interview that he had with me, and the fact that he had spoken harshly of Mr. Murphy, and that subsequently he was assaulted in the streets by Mr. Murphy because of the language he had used. It might be inferred from the connection in which he puts the statement that as he communicated it to me I must have communciated it to Mr. Murphy, and that Mr. Murphy so resented it because of what he had heard from me. I want to state that I made no such communication to Mr. Murphy, and Mr. Murphy will bear testimony that I did not communicate to him any unpleasant words—only so much of the interview as related to Mr. Morrill.

Mr. Murphy. I got all my information from another gentleman.

Governor Colquitt. I have not seen the statement I first made when I came before the committee in relation to the merits of this subject, and hence I am a little at a loss to proceed from fear of my making some repetition. I will just take up the question as it occurs to my mind, having had no opportunity to systematize my thoughts whatever.

In the discussiou of this question it has been supposed that I found it an adjudged question—one determined by the preceding administration. The references that have been made to it in the public print, and the inferences that have been drawn with a view to detract from the weight of my own conclusions, have been based upon the idea that Governor Smith had determined this question before I came into the office, and therefore, being so determined, why should the governor that succeeded him place his indorsement upon the bonds, which had been refused by the previous administration, and that having placed his indorsement upon the bonds, there must have been other reasons—other considerations than such as might be honestly and legitimately upon his mind.

Now, you remember Governor Smith's evidence, and it is in entire harmony with what I have to say—that when this question was presented to me I inspected the records of the executive office. There wa not an order, there was not a letter that showed that it had been an adjudged question. It was an open question, an undecided question. Governor Smith says in his testimony that he told one or two gentlemen orally, verbally, in his room, that he would not sign the bonds. That is all there was. He told one or two gentlemen, but that there was nothing upon the record to show his determination in the matter—nor was there. The gentlemen to whom he made the communication did not inform me of it, but I know the officers of the road felt confident of the fact that they would have secured Governor Smith's indorsement. They argued with me that he promised to indorse, from the communications that he made to them that he would indorse. His verbal refusal was doubtless made to parties who were interested as stockholders in some way, if any of them came to him, as they came to me, and he doubtless expected that his communication would reach the officers of the road. But I am satisfied that the officers of the road were convinced that he would have signed had he continued in office.

I do not intend to go into an argument, but merely call attention to these things—their importance—with a view of illustrating my own motives and conduct.

Now, with a view to satisfy myself that this question had not been decided by Governor Smith, I present one of his letters—the letter of the 26th January, 1876.

When these gentlemen applied to me, I told them of my embarrassments—that there was an administration during which this question had been discussed, and the bonds had not been signed, and with a view to making it as strong as possible, I said I might infer from that, that the preceding governor was not willing to indorse them. They argued that that could not be the case from the evidence which they had. For instance, they said: "Here was a letter of January 26," and that it was written by Governor Smith, as follows:

STATE OF GEORGIA, EXECUTIVE DEPARTMENT, Atlanta, Ga., January 26, 1876.—Mr. John Calvin Johnson, Secretary, etc., Athens, Ga.—Dear Sir: I acknowledge the receipt of your communication of the 24th instant, in which you state that you had informed the directors of your company that, in a conference with Messrs. Phinizy, McDaniel and yourself, I stated that, however much I might be opposed to state aid, if the company should fully comply with the terms of the charter and with the law granting aid, I would be left without option in the premises, and would be obliged to indorse the company's bonds as required by law, but would hold the company to a rigorous compliance with the requirements of tha law. The foregoing statement is, in substance, what I said on the occasion referred to, with this addition, however, that the application made by your company for aid having been premature, my declination to indorse your company's bonds would be withdrawn for the present, and if you should hereafter place yourself in a situation entitling your company to the aid of the state it would, of course, be my duty to obey the law. I am, yours respectfully, JAMES M. SMITH.

Now then, the argument was this, that if it rested upon the fact of vested rights, that no act that the company might do in the future could vest their right; that whatever right the company had to the indorsement by the state must have been vested at the time of the repealing act of 1874, and that the letter written in January, 1876, saying that if the company should hereafter comply with the law indicated that they could yet comply; that it was still in their power to put themselves in a situation that would entitle them to the indorsement of the bonds. So that that letter could not be, and was not a determination of the question.

It did not decide that they did not have vested rights. On the contrary, it did imply that they might yet get state aid if they would put themselves in a situation to do it. Whereas, if they had no vested rights in 1874, at the time of the repealing of the clause, nothing they could do after that could give them vested rights.

Then, in addition, there was another letter, and that was upon the record. This was the last letter that was written just a day or two, or probably the very day preceding the the time of my advent into the executive chair:

State of Georgia, Executive Department, Atlanta, Ga., January 11, 1877—J. Calvin Johnson, Esq., Secretary and Treasurer, etc., Athens, Ga.: Dear Sir—The governor, who is too unwell to write you himself—being threatened with a serious attack—desires me to inform you that the report of the commissioners, appointed to inspect the Northeastern railroad, was handed in only last evening, and that, owing to the press of business in turning over the executive office to his successor, and his indisposition, he has not been physically able to give the matter the attention it requires. This he regrets, not more on your account than his own. He will turn the report over to the governor-elect, who will be inaugurated to-morrow, and will be glad to give him any information in his possession.

The commissioners speak in favorable terms of the satisfactory manner in which the road had been constructed, and the courtesies extended to them by the officials of the road in the performance of their work. It appears that no portion of the road had been completed on the 25th of February, 1874, but the work, as far as it had been done, was thorough and satisfactory. I am, sir, your obedient servant,

P. W. ALEXANDER,
Secretary Executive Department.

Now, then, that letter I find signed by Colonel Alexander, the secretary. You see, gentlemen, that I could not say that Governor Smith had decided this question against the right of the road to the indorsement of these bonds. If there had been any decision I should have rested upon it. I should have regarded that the question was foreclosed, and no longer open for consideration, and I would have been very glad, indeed, if it had been decided by the previous administration, but it was undecided. It came to me as unfinished business, and I took it up where it was left off, and went into the consideration of it, so that it would hardly be fair or just that my conduct in the matter should be criticised or censured in the light of the fact that Governor Smith had made a decision adverse to the right of the road. No such decision was made, according to any report made in the executive office.

Now, then, that was the state of things when I came into office, so far as any judgment of it was concerned. I found here an opinion of Attorney-General Hammond. Indeed, I did not find it when I sought for it. The original we were not able to lay our hands on, and I think that the interview which Colonel Hammond referred to was in consequence of the absence of the record of his opinion, and that our interview was with a view of ascertaining what were the grounds of his decision. He sent us a copy of it from his own book. I then had it on file, and read it carefully. As a matter of course the opinion of Colonel Hammond with me would be as much as that of any lawyer of equal ability in the state of Georgia, and it was read with the respect due, not only to the man, but to him as a gentleman of legal attainments and ability. My own idea was that the most objections raised in that opinion were technical—purely technical—that they did not relate to the merits, the equities, or moral rights of these parties to the right of having these bonds indorsed. He was the attorney-general of Governor Smith, and this opinion had been rendered sometime before he went out of office. But while I regarded it as a discussion of legal questions involved, yet it was not conclusive with Governor Smith, whose appointee he was. His own judgment and his own opinion not having been conclusive with Governor Smith, it is not strange that it did not shut out a determination of the question in my own mind.

Mr. Preston. Governor Smith's letter was there before he left the office? A. Yes, sir; it showed his mind was not made up. Here was the opinion of the attorney-general that had not convinced Governor Smith that they were not entitled to it. I took it up with the same view. I had some doubts, I suppose, that Governor Smith had. I have no doubt (as Governor Smith stated in his testimony) that he was glad that he went out of office and left the decision open. I sought the opinions of gentlemen as I could lay hold of them here from different parts of the state—General Toombs's opinion. He was at my house to tea one evening, and we conversed upon the question. I told him that I would be very glad to have his deliberate views upon the question. He stated he would examine it when he returned to his home, and that he would write me.

The following is his letter:

WASHINGTON, GA., October 29, 1877—Dear Governor—When I was last in Atlanta you asked my opinion of the obligation of the state to indorse the bonds of the Northeastern railroad company, according to the obligation of the state assumed by the act 27th October, 1870. I am clear in the opinion that the state is bound to make that indorsement upon a full, complete and bona fide compliance with that act and the constitutional provisions further regulating said indorsement in all cases. That this company have fully complied with both the act and the constitution seems not to have been contested, and is certainly fully proven. The whole difficulty seems to have arisen under the repealing act of 25th February, 1874. That act did not repeal the act of the 27th October, 1870, except as to those roads included therein, whose right to said indorsement had not vested. This is expressly declared to be the intention of the legislature in the repealing act itself. When did that right vest? It vested whenever the charter was accepted, the company organized, and proceeded in good faith with reasonable means to comply with the conditions of the act and constitution to complete the first twenty miles, and with the bona fide purpose to be gathered from all the facts to comply with their charter before the passage of the repealing act.

Upon none of these points is there a shadow of doubt. When the act of 1874 was passed, they had already furnished abundant evidence of the fact, and that was undoubtedly the very reason the legislature inserted the saving clause. But that this was the true intent of many of the legislators is not only shown by the context of the act, and the full and complete testimony that the company was and had been for a long space of time investing its money to a large amount in the execution of the work under this pledge of the state, but is expressly and conclusively shown by a declaratory resolution passed within six days after the act of the 25th February, 1874, by the same legislature that the true intent and meaning of that repealing act was that said act should not apply to the Northeastern railroad company. Therefore the act itself and the declaratory resolution prove clearly the question of legislative intention to the act itself. It needed no such declaration of its true intent and meaning, but it received it fully and completely. I might safely grant that the legislature might not have the power under the constitution of 1868 to pass a new law, which I utterly deny, but that would by no means convey the question that it could not by resolution declare the true intent and meaning of a doubtful act passed by itself at the same session. The position is unnecsary in itself, and is against principle, authority and the true meaning of the constitution of 1868, which declares that resolutions passed as this one was passed, should have the form and effect of law, and this closes the legal question, and, in my judgment, makes the duty of the executive plain and certain. It is fortunate for the state that while this fact could not control the legal determination of the question, that she is unable to close this unwise and utterly indefensible system without any probable lost to the commonwealth. While I have uniformly through life opposed this vicious policy, and would go as far as any citizen of the state ought to go to protect the state from its dangers, yet I value her good name and good faith above all private matters, and will prot c them at every hazard and to the last extremity. I am, very truly and respectfully yours,

R. TOOMBS.

HON. ALFRED H. COLQUITT, Atlanta, Ga.

Here is a letter from Governor Brown. It is a more exhaustive argument than probably any that has been delivered to me at all. I want to show that I did not sign the bonds against law and against reason:

ATLANTA, GA., November 9, 1877.

A. K. Childs, President Northeastern Railroad Company, Athens, Ga.: Dear Sir—The Hon B. H. Hill having requested me to examine the acts of the legislature, in reference to state aid claimed by your company, and to address you a letter giving my conclusions with the reasons for them, I have the honor to submit the following:

The act of the 27th October, 1870, incorporated the Northeastern railroad company, and granted to said company the aid of the state, to the extent of the indorsement of the bonds of the company, for fifteen thousand dollars per mile, on the terms mentioned in said act. The indorsement sections are in the usual form, giving the state the first mortgage lien, etc.

I am informed that the company was organized, the charter accepted, and under the provisions of the state aid sections of the act, they proceeded to make large expenditures in the construction of the road, which were done upon the faith of said act prior to the passage of the act of 25th February, 1874, which repeals all state aid granted to all railroad companies in this state, with this "proviso that any company to whom such state aid has been granted, which, prior to the passage of this act, shall have acquired a vested right to the same, should not be affected by this act." As the Northeastern railroad company had accepted the charter and had proceeded with reasonable means at its command in the construction of its road, in good faith, intending to build the same, prior to the passage of said repealing act, it had, I think, clearly acquired a vested right to the aid pledged to it by the act of 1870. That act fixed no particular time within which the first twenty miles of the road were to be built; and the company having proceeded in good faith to expend a very considerable sum of money in the construction of said twenty miles, before the passage of said repealing act, it clearly came within the proviso of the repealing act above quoted, and left the state aid sections of the act of the 27th of October, 1870, in full force, so far as this company was concerned.

But to avoid all possible misunderstanding or misconstruction, the general assembly, on the third day of March, 1874, only one week after the passage of said repealing act, passed a resolution that the true intent and meaning of the above recited act, referring to said repealing act, is that the provisions of said act repealing state aid shall not apply to the Northeastern railroad. It seems to me that this resolution was superfluous, as the proviso in said repealing act fully protected the Northeastern railroad company. But the resolution puts the matter at rest beyond the possibility of doubt, and shows very clearly that it was not the intention of the legislature to repeal state aid, so far as it concerned the Northeastern railroad company.

Where there is any doubt about the true construction of a statute, one of the cardinal rules of construction laid down by the recognized authorities on that subject is that you are to look to the intent of the legislature. This resolution makes the intent of the legislature perfectly clear, and the construction in accordance with it must therefore apply. And it seems to me the governor of the state has no discretion in this matter. Whatever he may think of the policy of state aid, the law is plain; the faith of the state is pledged to the Northeastern railroad company, and it is his imperative duty to indorse the bonds when the terms of the act granting state aid have been complied with.

It may be said that it is the duty of the governor to examine the constitutional question, and see whether in his opinion the act was constitutional. On the passage of the act, if the governor thought it unconstitutional, he had a right to return it to the general assembly, with his reasons for refusing to sign it; and if the general assembly then passed it by a two-thirds majority over his veto, or if he signed it without vetoing it, it became a law, and he has no discretion but to execute it, until it shall be declared unconstitutional by the courts. The constitution of the state makes it the duty of the courts to declare an unconstitutional law null and void; in other words, to set aside a plain statute passed by the legislature, if, in the opinion of the court, it is clearly unconstitutional. But if it is doubtful whether it is unconstitutional or not, even the courts have no such power, and in that case they must sustain the statute; and it is very clear that the governor has no right to refuse to execute a law after it has been passed by the general assembly and signed by him, or vetoed by him and passed over his veto. It is then his duty to execute it until the courts declare it unconstitutional.

So much for the rights of the Northeastern railroad company, under the acts of 1870, and the act and resolution of 1874. But there is still another very strong and conclusive reason why the governor of Georgia has now no right to withhold the indorsement of these bonds. Admit for the argument, which I do not admit in fact, that the governor has a right to judge of the constitutionality or policy of a law after its passage, and to refuse to execute it, because he believes it unconstitutional, or impolitic, and it is still very clear, even under that rule, after he has put a construction upon it and parties have gone forward in good faith and expended their money upon that construction of the law, that he has no right to change the construction, and deny the rights given to them under an act construed by him, and under which they have made heavy expenditures upon the faith of his construction.

On the 26th day of January, 1876, Governor James M. Smith, then the executive of Georgia, wrote to John Calvin Johnson, secretary of said company, acknowledging the receipt of a communication from said Johnson, in which he said he had informed the directors of his company, that in a conversation with Messrs. Phinizy and McDaniel, Governor Smith hcd stated that however much he might oppose state aid, if the company should fully comply with the terms of the charter, and with the law granting aid, he would be left without option in the premises, and would be obliged to indorse the company's bonds as required by law, but would hold the company to a rigid compliance with the terms of the law. To this Governor Smith replies that the foregoing statement is in substance what he said on the occasion referred to, with this addition, however, "that the application made by your company for aid having been premature, my declension to indorse your company's bonds would be withdrawn for the present, and if you should hereafter place yourselves in a situation entitling your company to the aid of the state, it would of course be my duty to obey the law."

Here there is not the slightest intimation on the part of Governor Smith that the provisions in the charter act of 1870, granting state aid, have been repealed; no reference whatever is made to the repealing act, but the governor treats the act of 1870 as of full force, and says: "When your company shall fully comply with the terms of the charter, and with the law granting aid, he would be left without option in the premises, and would be obliged to indorse the company's bonds as required by law."

Then he speaks of having withdrawn his declination to indorse for the present, because the application was made prematurely, but adds, "and if you should hereafter place yourselves in a situation entitling your company to the aid of the state, it would of course be my duty to obey the law." Now, if this means anything, it simply means that the governor did not think, when they applied for the aid, that they had completed the first twenty miles in conformity to law, and done all acts necessary to entitle them to the aid; and he declined for the present to indorse the bonds, but he tells them distinctly that if they should hereafter place themselves in a situation entitling the company to the aid of the state, they would of course get it.

Under the appearances thus given by the executive of Georgia, making no reference whatever to any repealing statute, that the company would receive the indorsement on compliance with the law embraced in their charter of 1870, referred to in his letter, the company went on and expended their money and completed the road, which as I understand has been examined by commissioners and found to be complete in every respect in compliance with their charter, and the state aid provisions therein contained.

Under these circumstances nothing remains to be done to preserve the faith and credit of the the state, but for the governor to place his indorsement for the state upon the bonds. If the executive had a right to judge of the constitutionality and policy of an act, and of the question of its repeal, the executive has exercised that right and pronounced this judgment, and assured the company in that judgment that in compliance with the act of 1870, its bonds would receive the indorsement of the state. And after they have proceeded upon that opinion, and expended their money and completed the road, it is now too late for the executive to raise further objections and withhold the indorsement of the state, without a palpable breach of good faith to the company, and an open, unjustifiable and indefensible repudiation of a solemn obligation.

It is true the person exercising the executive powers of the state may not now be the same as when Governor Smith's letter was written, but the law knows no difference. Governor Smith was the executive of Georgia. Governor Colquitt, as his successor, is the same, and is in law and justice bound to carry out the obligations which the state has assumed by the action of the legislature and his successor in office. And when his successor adjudicated the case, and the company went on and expended their money upon that adjudication, the state became bound by the act, and the present executive has no more right to re-adjudicate it and annul the obligation than the supreme court of Georgia would have, when the persons occupying the position of judges of that court should be changed, to go back and reverse a judgment rendered by the predecessors of the present incumbents. In the one case it was the executive of Georgia; in the other case it was the supreme court of Georgia, without regard to the person or persons who, for the time, fill the position, and the decision or judgment of the executive or of the court binds the persons who may occupy the same position as the successor or successors of those who made the decision.

It therefore seems to me to be too clear for doubt or cavil that it is the imperative duty of the executive of Georgia to indorse the bonds of this company, and that a refusal to do so, as already stated, places the state in the position of open and unjustifiable repudiation of her solemn obligation.

Doubtless the executive will perform his duty in this case the more cheerfully, as the company is entitled by the act to have its bonds indorsed to the extent of fifteen thousand dollars per mile, is a very judicious one, and has constructed its road so cheaply that it only asks for the indorsement of six thousand four hundred dollars per mile. The state has the first and highest lien on the road when it has indorsed the bonds; and it seems impossible that it can sustain loss on the road as the road and its equipment are certainly worth more than that sum. I am, very respectfully, your obedient servant,

JOSEPH E. BROWN.

The following is a letter from Patrick Walsh:

AUGUSTA, GA., January 12, 1877.

Hon. H. H. Carlton, Atlanta, Ga.: Dear Sir—In response to your request to give you my opinion as to the intention of the legislature in excepting, by resolution, the Northeastern railroad, then in process of construction from Athens to Lula, from the operations of a general law repealing state aid to all railroad companies in the state where rights had not vested, I take pleasure in stating that the legislature did except the Northeastern road. Without referring to the record of the house or senate, my memory serves me well enough to know that it was the intention of the legislature to extend state aid to your road. There was considerable agitation at the time on the subject of excepting your road from the general law. The road was graded, your people had invested their money in good faith. It was not a wild-cat concern, organized for the purpose of swindling the state, but composed of your people, whose public spirit induced them to invest their money for the development of an important section of our state. Their considerations influenced the general assembly to pass the resolution to which I have referred. I have no hesitation in saying that it was the intention of the legislature to extend state aid to your road when the law was complied with, and I consider that the state is morally and legally bound to indorse the bonds of the Northeastern roailroad. Yours, very truly,

PATRICK WALSH.

Here is a letter from Mr. McDaniel, for a long time a member of the legislature, and one of the most watchful men I have ever known connected with either branch of the general assembly. I think that will be the verdict of every one who has watched his course since he has been connected with public affairs. The following is Mr. McDaniel's letter:

MONROE, GA., January 17, 1878.

To His Excellency Alfred H. Colquitt: Dear Sir—A copy of the letter of the 12th inst., from Messrs. T. J. Simmons, A. O. Bacon, Geo. F. Pierce, Jr., and George A. Mercer, to the governor in reference to the act of February 25th, 1874, to repeal state aid provisions in the charters of railroad companies whose right to the same had not vested, and to the resolution of March 3, 1874, declaring that the provisions of the above recited act were not intended to apply to the Northeastern railroad, has been furnished to me by Hon. H. H. Carlton. The statements in this letter are true, according to my recollection, and the conclusions are correct. As a member of the house of representatives, I voted for the act and for the resolution, and I am satisfied that the act would not have passed in its present state without the declaration of its meaning, which is expressed in the resolution.

The discretion of the governor will be wisely exercised by the indorsement of the bonds of this railroad. The company have complied with the conditions imposed by law, as I am informed and believe, and are entitled to the indorsement. To withhold it will inflict an injury upon a section of the state which has never received public aid, and which with the indorsement will develop its resources so as to greatly increase the commonwealth without increasing the burden of taxation. These considerations lead me to hope that the governor will not hesitate longer to indorse these bonds.

Very respectfully,

HENRY D. MCDANIEL.

This communication was handed to me either by Mr Murphy or Dr Carlton, or both, I don't remember which. It was given me somewhere about the 14th or 15th of January of this year.

It was established that the state of Georgia had held out pledges and promises to bona fide stockholders that in the event they in good faith begun or completed this road, that they should have their bonds indorsed. I should have felt that the state was dishonored had I failed to give the indorsement, where there was a moral and equitable right, even though legal technicalities were opposed to it. That, granting the fact that in the opinion of sharp technical lawyers, there might be a doubt on this point, but the stockholders had expected it in good faith. I would have felt that the state's honor would have been compromised if they had failed to receive it, and I argued with myself in this way: suppose that I as a member of society and a gentleman, and as a citizen, had given an obligation to a friend or party, and there was no mistaking the meaning or the intention which I had in view at the time, and he had gone on relying upon my integrity as a gentleman, and had gone on spending his money or labor in any enterprise or any little undertaking, it would never have lain in my mouth, when he came back upon me to perform my part of the obligation, to say that the obligation has not got my seal to it. I see my name is there, but the law requires it to have a seal before I am bound. My promise is there, and it was binding and obligatory upon my conscience when I made it, and I would have felt that I had been disgraced in the eyes of society if I had failed to perform my part of it. Could I have felt less pride about the honor and good faith of the state of Georgia? Would I imperil that when I was ashamed to imperil my own honor? No, sir! I felt impelled to go as far to protect the honor of the state of Georgia as I would have gone to protect my own honor, so that the importance of these things was not that it would explain the intention of the legislature so much, though even before the public that would go a great way even of itself. But it shows that everybody that was connected with it and had any knowledge of these acts of the legislature, that they themselves conceded the fact of exist that the state was morally bound, to say the least of it.

I don't know that it will be necessary to go into any argument, but I wish to reiterate here, so that it may be in the minds of the committee and the minds of the country, the reason of my delay, and that was that I desired to impress the company that they must exhaust all of their own resources to save the road from going to sale. It is in the mouths of some, and may be used as an argument against me, because from it might be inferred that as Mr. Murphy received a fee just previous to that time, therefore it was the fee that induced me, and not the consideration that I intended that this company should be pushed to the last extremity before I gave the aid of the state.

Here is a letter (I would be glad for it to go into the record) from Albert L. Mitchell, attorney at law, Athens, Ga. I was desirous to know what debts there were against the company, and what judgments would be foreclosed when the courts came on, and without telling Phinizy who was here at the time, I did not even communicate it to him; but at the very last moment, when I was satisfied that they had no succor from any otherr source, I did not intend to see Georgia dishonored, as I felt, and her citizens damaged.

If they could have gone on without being damaged, it was my purpose to lay it over to the next legislature. So I had explained to Mr Mitchell on the subject, and he wrote me this letter of the 12th January, 1878, which is as follows:

ATHENS, GA., January 12, 1878.

His Excellency, A. H. Colquitt, Governor, etc., Atlanta, Ga.:

Dear Sir—As I promised, I enclose herewith a statement of the cases now pending in Clarke superior court against the Northeastern railroad company, together with the certificate of the clerk of said court as to the status of said cases. The next term of our court will open on the first Monday in February next. I have the honor to be, yours, very truly,

A L MITCHELL.

Extract from docket of Clarke superior court, showing all cases now pending against the Northeastern railroad company:

Grant & Alexander vs Northeastern railroad company. Principal, $16,745 60.

Reaves & Nicholson vs Northeastern railroad company. Principal, $1,393 55.

R L Moss vs Northeastern railroad company. Principal, $3 308 24.

F Phinizy vs Northeastern railroad company. Principal $20,424 43; credit, $1,000.

National bank of Athens vs Northeastern railroad company. Principal, $33,264 60.

R K Reaves vs Northeastern railroad company. Principal, $3,764 53.

W B J Hardeman vs Northeastern railroad company. Principal, $2,000

Bank of University vs Northeastern railroad company, Principal, $22,048 25.

A K Childs vs Northeastern railroad company. Principal, $2,500; credit, $1,000. December 6, 1876.

John White vs Northeastern railroad company. Principal, $12,000 00.

F Phinizy vs Baree, Northeastern railroad company. Principal, $4,434 43.

C W Hard vs Northeastern railroad company. Principal, $8,750 00.

John W Nicholson vs Northeastern railroad company, Principal, $6,955 39.

Childs, Nicholson & Co vs Northeastern railroad company. Principal, $437 20.

R L Moss vs Northeastern railroad company. Principal, $7,266 79.

M B McGinty vs Northeastern railroad company. Principal, $1,061 14. Credited with $190 79, $64 91, $255 70

Atlanta rolling mill company vs Northeastern railroad company. Principal, $95,219 17.

John A Grant vs Northeastern railroad company—

John H Powers vs Northeastern railroad company—

C B Wallace vs Northeastern railroad company. [The amount for which each of these three plaintiffs sued for cannot be ascertained to-day, as S P Thurmond, plaintiff's attorney, has the original papers out of office, but are each for less than three hundred dollars.

January 15, 1878. JOHN J. HUGGINS, Clerk.]

GEORGIA, CLARKE COUNTY—Clerk's office Superior Court of said county:

I, John J Huggins, clerk, do certify that the above and foregoing cases are now pending in the superior court of said county, filed to August term, 1877, and will stand for trial at February term, and that there are no other suits against said Northeastern railroad company, except a suit filed to-day by H R J Long, for the sum of five hundred dollars damage to land by back water, and which stands for trial at August term, 878.

Given under my hand and seal, this January 15th, 1878.

[Seal.] JOHN J. HUGGINS, Clerk.

The Atlanta rolling mill company vs. Northeastern railroad company. Complaint on notes in Clarke superior court, for $95,219 17.

John White vs Northeastern railroad company. Complaint for $12,000 00.

R L Moss vs Northeastern railroad company. Complaint for $3,308 24.

John W Nicholson vs Northeastern railroad company. Complaint for $6,955 39.

Ferdinand Phinizy vs Northeastern railroad company. Complaint for $20,424 53.

Ferdinand Phinizy vs Northeastern railroad company. Complaint for $4,424 43.

M B McGinty vs Northeastern railroad company. Complaint for $1,061 14.

C W Hood vs Northeastern railroad company. Complaint for $8,750 00.

Childs, Nickerson & Co. vs Northeastern railroad company. Complaint for $438 20.

A K Childs vs Northeastern railroad company. Complaint for $2,500 00.

W B J Hardeman vs Northeastern railroad company. Complaint for $2,000 00.

R K Reaves vs Northeastern railroad company. Complaint for $3,764 53.

National bank of Athens vs. Northeastern railroad company. Complaint, $33,264 60.

Reaves & Nicholson vs. Northeastern railroad company. Complaint, $1,393 55.

Grant & Alexander vs Northeastern railroad company, Complaint, $12,033 60.

R L Moss vs Northeastern railroad company. Complaint, $7,266 79.

J A Grant vs Northeastern railroad company. Complaint, $252 25.

J H Powers vs Northeastern railroad company. Complaint, $269 50.

C B Wallace vs Northeastern railroad company. Complaint, $259 80.

Bank of University vs Northeastern railroad company. Complaint, $22,048 25.

Amount of principal, $237,632 97.

GEORGIA, CLARKE COUNTY. Superior court said county. I, John J Huggins, clerk of the superior court, do certify that the above and foregoing cases against the Northeastern railroad company and the amounts opposite the same are correct, and that the February term, 1878, of said court will be judgment term in all of the above and foregoing cases. Witness my hand and seal of said court this 12th day of January, 1878.

[Seal.] JOHN J. HUGGINS, clerk.

1. Grant, Alexander & Co vs Northeastern railroad company. Principal, $12,033 60; cost paid, $2. Dismissed Janaury 28th. 1878.

2. The Atlanta rolling mill company vs Northeastern railroad company. Principal, $95,219 17; cost paid, $2. Dismissed January 28th, 1878.

3. The National bank of Athens vs Northeastern railroad company. Principal, $33,264 60; cost paid, $2. Dismissed January 31, 1878.

4. Bank of the University vs Northeastern railroad company. Principal, $22,048 25; cost paid, $2. Dismissed January 31, 1878.

5. Ferdinand Phinizy vs Northeastern railroad company. Principal, $20,424 43; cost paid, $2. Credit, $1,000. Dismissed January 28th, 1878.

6. Childs, Nickerson & Co vs Northeastern railroad company. Principal, $437 20; cost paid, $2. Dismissed January 28th, 1878.

7. R K Reaves vs Northeastern railroad company. Principal, $3,764 53; cost paid, $2. Dismissed January 29, 1878.

8. Rufus L Moss vs Northeastern railroad company. Principal, $3,308 24; cost paid, $2. Dismissed January 28th, 1878

9. Rufus L Moss vs Northeastern railroad company. Principal, $7,276 79; cost paid, $2. Dismissed January 28, 1878.

10. John W Nicholson vs Northeastern railroad company. Principal, $6,955 39; cost paid, $2. Dismissed January 28th, 1878.

11. C W Hood vs Northeastern railroad company. Principal, $8,750; cost paid, $2. Dismissed January 28th, 1878.

12. F Phinizy vs Northeastern railroad company. Principal, $4,424 43; cost paid, $2. Dismissed January 28th, 1878.

13. John White vs Northeastern railroad company. Principal, $12,000. Cost paid, $2. Dismissed January 29th, 1878.

14. M B McGinty vs Northeastern railroad company. Principal, $1,061 14; cost paid, $2 00. Dismissed January 28, 1878.

15 Reaves & Nicholson vs Northeastern railroad company. Principal, $1,393 55; cost paid, $2 00. Dismissed January 28, 1878.

16. W B J Hardeman vs Northeastern railroad company. Principal, $2,000 00; cost paid, $2 00. Dismissed July 28, 1878.

17. A K Childs vs Northeastern railroad company. Principal, $2,500 00; cost paid, $2 00; Credit, $1,000.00. Dismissed January 28th, 1878.

18. C B Wallace vs Northeastern railroad company. Principal, $259 80; cost paid, $2 00. Dismissed January 31, 1878.

19 John A Grant vs Northeastern railroad company. Principal, $252 25; cost paid, $2 00. Dismissed January 31, 1878.

20. John H. Powers vs Northeastern railroad company. Principal, $269 50; cost paid $4 00; commissioner's cost, $2 00. Dismissed January 31, 1878.

All of the above and foregoing cases were filed to the August term of Clarke superior court, and would have stood for trial and judgment at February term, 1878, and all of said costs have been paid and cases dismissed. JOHN J. HUGGINS, Clerk.

January 31st, 1878.

John W Nicholson vs Northeastern railroad company. Judgment at August term, 1877. Principal, $256 00; interest, $1 50; cost paid, $9 50. Satisfied in full January 17, 1878.

The above and foregoing twenty cases, and the above single judgment, making, in all, twenty-one cases against the Northeastern railroad company, with their respective amounts sued for, constitute the entire indebtedness of said railroad company, so far as appears from the record in my office.

JOHN J. HUGGINS, Clerk.

January 31, 1878.

[Seal.]

Mr Hall moved that the chairman proceed to take steps to obtain permission from the two houses of the legislature to print the proceedings and the report of the committee Carried.

Adjourned to Friday, 9 o'clock A.M.

FRIDAY, November 29th, 9 A M.

Committee met. Chairman presided. Quorum present.

Gov. Colquitt. I wish to state that the rumor that the bonds were being signed within forty-eight hours after Murphy made his contract, was utterly false. The evidence, I think, leaves no doubt on the subject. There was, indeed no reason why there should be any hurry in signing the bonds at all, or the coupons for them. I was ignorant of the contract, yet it does seem that the contract provides that the money should be paid upon the issuing of the order, and was not dependent upon the signing of the bonds within a particular period. It provides that the order shall be issued. So that there was really no use in hurrying the indorsement. It might be true, it might have been within forty-eight hours after Mr Hill had had an interview with me, that I had begun to sign these bonds. Yet that would be no reason for any complicity with him upon my part. It might have been the case that after Mr. Murphy was employed I had begun to sign the bonds within twenty-four or forty-eight hours, but it so happened in the turn of circumstances connected with this affair that the facts show that this was not true.

The letter in the article in the Evening News was the letter to which I referred. It seemed to me to take the form almost of a direct charge, and one which I think very probably all this committee will see gave me reason to feel that there was ground for wounded sensibilities.

I don't know, Mr. Chairman, that there is any other matter of fact that occurs to my mind. If there is any question that any member of the committee desires to ask, I will answer with very great pleasure. If there is any doubt or any neglect of duty, or if there is any circumstance which is not fully explained upon which I can throw any light, I will be very glad to do so now.

What I have said and what I have done, gentlemen, and what my enemies have said, and what they have done, I leave to your solemn judgment.

The governor exhibited documents of file in the executive office, showing the application by the road for the aid of the state under the law, the report of the commissioners who examined the road, and the oath of the proper officers, showing that there was no liens upon the road.

The chairman, by the instruction of the committee, sent Mr Goodnow the following note:

MR. WM. GOODNOW:

DEAR SIR—Your character for veracity has been attacked before this committee. If you desire to introduce any counter evidence, please attend to it at once. The committee is now in session.

J. M. PRESTON, Chairman.

November 29, 1878.

Mr. B H Hill sent for to hear the statement of the governor.

Mr. Hill—I don't want to hear the governor's argument, I merely desire to hear his statement of facts. There was something he said about the Sunday interview that I did not hear.

Gov. Colquit. I was asked the question about the interview, whether there was an interview. I made a general statement, I think. I was asked the question as to whether there was an interview between you and myself. I answered in the affirmative. "How came that interview about?" That was about the question. I stated that Mr Hill asked me if I would consent to an interview with you in the presence of two parties, and I consented. I believe some question was asked as to what was the purport of the interview. I told them that the purport of the interview was a general talk with regard to rumors that were afloat, and the statement made by you, that you made no charges against me, nor intended to make any—that is about the sum and substance of it. I did not go into any particulars of the conversation, but stated generally about it.

Mr Hill. You did not go into what occurred at that interview. A. No; not at all. I said, I think proper to state, that in the personal interview Mr Hill disclaimed any purpose to impeach my motives, or something of that kind—a general remark. Upon that, I was asked as to what personal interview I referred to, and how that interview was brought about I stated that all that I knew of the interview was that Mr Hill, Jr, came to me, as he has stated subsequently in his own testimony—I knew nothing about it myself, and I didn't know how it was brought about; I supposed at the time that it was a matter undertaken by our friends. Mr Hill has mentioned Mr Tuggle as my friend. This might leave the impression that Mr Tuggle had been sent there. I want to state that Mr Tuggle never conversed with me on the subject, and I never advised with him at all upon the subject of the interview. Mr Hill says that he does not think our Sunday interview was brought about by Gov Colquitt. I want to say that this is true; I did not make any suggestions at all, to Mr Tuggle or Dr Spalding.

Mr. Hall. You have no reason to believe but that Tuggle and Spalding were also friends to Mr Hill? A. Not at all; but I want to rebut any presumption that there might be against me that I was undertaking to conceal anything.

Q. Mr Tuggle and Dr Spalding were friends of Gov Colquitt, and they came to Mr Hill's house. Now, you want to state that they did it of their own accord? A. Yes, sir.

Adjourned to 9 o'clock A. M.

SATURDAY, November 30, 9 o'clock A. M.

R. H. TRIPPE, SWORN:

Senator Hill. State your recollection of the first interview between you and me—of my calling into your room for advice and counsel—what occurred—what I said to you—then what you afterwards related to me, in relation to the same fact? A. It was some time in the early part of August, I think—I am sure it was early in August—that Mr Hill—I believe I invited him into my office—any way, we got there together. The door was closed, and he stated that he had a matter that was pressing him, or burdening him, or something of that sort, somewhat indicating that he was deeply impressed with the wish to advise with a friend as to what he ought to do, and so on, as to his duty—what he ought to do, that was the point; and then told me, the first time I had heard such a thing in any way, that he had a fee—I know that. I knew that he was counsel for the road or the rolling mill. I think he was counsel for the rolling mill, and was to get a certain fee from it—a good amount, $7,000 or $10,000, or something along there; may be $7,000 or $10,000—both figures were mentioned; and what had passed along, and his action in the case, and his representations to the governor, and his efforts before the courts, and all that. I think he had made an effort to be advised when the endorsement was to be done, if ever; that he would like to have it arranged so that he could manage as to his fee in the matter. Probably there had been some correspondence in reference to it after the endorsement, and after he came back from Washington—probably just before our interview. It may have been. I don't remember certainly as to the time when he said that his interview with Morrill took place. But that he went to the authorities or representatives of the road—Mr Morrill or Mr Goodnow, or both—to get his fee, or arrange for his fee, and they said, not that they denied his fee, but were not able to pay it, and so on. And on pressing them, how it was—I don't recollect now what he stated. There was induced the impression upon my mind—probably on my urging him to give the whys and wherefores of the difficulty, and stating that there was some difficulty occurring that delayed him, but not as ever he was denied. But on urging the matter, Morrill, I think it was, stated to him that they had had to spend a large amount of money, mentioning $8,000, and that they had engaged the services of Mr Murphy—had got Mr Murphy then in the matter, and they paid him $8,500, and stated—shall I now state as far as I recollect what Mr Hill said as to the—

Senator Hill. I suggest that the object is the advice. The main point is to get at the advice I wanted from Judge Trippe. A. My suggestions and advice were founded on the other. When Mr Hill stated to me what I suppose is before the committee, that he had been thus informed by Mr Morill, and asked me what I thought was his duty, I told him by all means he ought to inform the governor at once without hesitation. I know I was very emphatic in that, because, to my mind it admitted no doubt what was the duty of any man's friend or enemy to the governor, if he was a friend to the state, and a matter of that sort was out. I know, for I said that probably several were informed, enough to know that if he wanted to keep it secret it could not be kept secret, and indeed that if it was true it ought not to be kept secret, that the matter ought to be taken hold of and the truth found out. Therefore I urged him very emphatically—gave him my opinion that he ought to inform the governor at once, and stated if it was me, and any friend of mine heard a matter of that sort about me, if I were the governor, I would consider it an act almost of hostility, and I would feel like out-lawing any man on earth if he did not inform me all. That was based upon the idea, not assuming that it was true but in a rumor that was out of that sort. I gave it as my opinion what his duty was to the state, to the governor, to the country, and to all parties—a matter due to Mr Murphy as well as to the governor, or anybody else.

Q. Do you remember using this expression, if, as you say you emphatically declared what my duty was, didn't you use this expression, "Yes, Ben Hill if I were governor, and you had heard such things about me, and you had not come and informed me, you would outlaw me from your friendship?" A. I think I did use about that expression. I know it was consistent with the feelings I had as to what a man's duty was in such a case, and I think I used about such an expression as that.

Q. About that interview, and before the second interview with Governor Colquitt, what did you inform me in relation to some information you had derived otherwise? A. This matter that Hill stated to me, and I was compelled to take it as a matter of confidence strictly, and did not think that anything ought to be said to anybody in the world about it except the parties interested. I said nothing about it, and was not going to say anything about it, at least until after an indefinite time had elapsed. I would have myself—and I didn't think any citizen ought to sit down and let such talk about him go along. I suppose fully a month after Mr Hill made this statement to me, Gov Smith was in my office. I don't know how the matter came up—I have no sort of recollection now.

Mr Hill. Just state what you said to me.

A. Gov Smith and myself—or, rather, he made some remarks that I saw very plainly that he had heard of this matter, clearly beyond all question that he had heard, and heard it undoubtedly as much as I had heard it.

Well, in a day or two, I don't know how long, shortly afterwards: probably the first time I saw him (Mr Hill), I stated to him that he had me bound confidentially—obligations of that sort, and I found that the thing was certainly out somewhere. Said I, "I think Governor Smith knows all about it, told me that he did. No name was mentioned, only general remarks were made, but with such a detail in them that it was as clear as day-light that Governor Smith had heard it. How he got it, I never have known; I did not ask him. I saw that he knew—I could see that. He took it for granted that he had made no disclosure, or anything of that sort. It was just that sort of reference to the thing that neither would state anything fully, nor that the other would know that we was informed. That was about the extent of the conversation between Governor Smith and me in the matter, and enough for me to know that Governor Smith knew it, and I told Mr Hill that he did.

Q. Both expressed surprise, and did not know how it got out? A. I don't think I did find out from Governor Smith how he got it at all, and I don't think that anything else occurs on my mind in this matter.

Q. These were the only two points I wanted Judge Trippe to state—his advice to me, and his subsequent information. I will ask you one more question. Three or four weeks after the conversation with you, before you got your information from Governor Smith, I believe I stated to you that I had been three or four times to see Governor Colquitt, and he was not here? A. Mr. Hill stated, possibly that evening, at least a very short time, the first interview—that he had made an effort—called to see Governor Colquitt, and the Governor was gone, and my recollection now is, that it was some time—that he stated to me that it would be some time before he could see the governor. I beg leave to state that the matter burdened me. I confess that I was worried about the thing; I knew there was going to be a cloud of smoke—that there would be an immense cloud of smoke; whether any fire I did not know. I did not know whether anybody would be consumed or not. It worried me. I asked Mr Hill frequently—several times—if he had seen the governor, and, probably before he did, I felt a great deal of interest in the matter.

Mr Hall. Just to fix the date, I desire to ask you a question. When was it you had that conversation with Governor Smith? Let me try and refresh your memory? A. It was when the governor came here; the first time afterwards, I think.

Q. Was it not in the latter part of July, when the excursion party came from Columbus up here, that you saw him, and talked with him? A. It rather strikes me that it may have been on that excursion occasion, but it could not have been in July.

Q. Has Governor Smith been in Atlanta since July until the legislature met? A. He must have been, Judge Hall—he must have been. I state as near as I can come in giving dates. I think it must have been somewhere near the first of August—that is, Mr Hill's interview with me—and it was sometime, it strikes me, some considerable time—several weeks before I saw Governor Smith. It may not have been that long, but that is the impression upon my mind, that it was several weeks. But it is possible I may be mistaken as to the time.

Q. Didn't Governor Colquitt get back here about the 24th or 25th of July from his trip north, and had you not insisted upon Mr Hill's seeing him before he got back, not knowing that he was absent, and didn't you ask him if he had seen him, and he replied he had failed to see him on account of his being out of the city. Was he not on that trip to the north on the 24th of July? A. I know this much, that when the governor was at Chattaqua Lake, I had heard it then. I don't know where that was—I know that. Now, when that was I don't know.

Governor Colquitt. I got back about the 10th or 12th of August. The meeting there was the first of August. I was gone about a week or ten days.

A. I have got the idea very strongly on my mind that it was near the first of August, and I thought I had a certain date that I could fix it exactly, I looked just now when your sergeant at arms came for me, and I have got a date, but I think the date itself is a sort of fictitious date which I put to suit a certain occasion, but that would have been the date exactly had I not put it to suit another matter. I am now impressed with this opinion, that the day before Governor Colquitt started on that journey, probably on that my first interview took place with Mr Hill, and that Governor Colquitt may have left on that visit, and that was the reason of Mr Hill's not seeing him when he first went to see him.

Mr Hall. Didn't you see Governor Smith between that time and before Mr Hill really had an interview with Governor Colquitt? I am asking these things so, if necessary, it can be accounted for how Governor Smith got the information. A. I could not be, I think, any more positive than I have been. My impression is, that it was some weeks after my first interview with Mr Hill before I saw Governor Colquitt.

Senator Hill. You remember, then, that it was after my first interview with the governor that you communicated to me that Governor Smith knew it? A. Well, that is my idea from the fact—not that I represented that as independent of the fact—that such a thing as that had happened before I saw Governor Smith. I do not represent that as an independent fact, but a necessary fact, from the impression upon my mind that you had seen the governor before that time. This matter could be, if that date if that date is of any importance—I do not see the force one way or another. I am now strongly impressed that it was when Governor Smith was here on that excursion. But I think it was the latter part of July. It could not have been, either, for Governor Smith was here in July on that excursion. It must have been afterwards.

Mr Hall. He was here in July, and not here again until the legislature met? A. It may have been a wrong impression upon my mind as to the time between Hill's and Governor Smith's meeting me. I would not be surprised much to see my memory turn out so.

Senator Hill. Don't you remember suggesting to me that I ought to keep the exact dates of my interviews with the governor? A. I believe I suggested to you that you should make a memorandum of something of that sort.

Q. And I told you I had done so? A. Yes. It burdened me. Of course I felt like I suppose any man would. Felt burdened, and I wish now I had kept the dates.

Q. What did Governor Smith say to you that he knew about the endorsement of those bonds? You say he told you what he knew about it. What was it that he told you he knew? A. About Governor Colquitt's endorsement?

Q. Yes, sir. A. He did not say that he knew anything. He only made this reference to it, as I stated, about this rumor—this something about $8,000. No! no! no? No amount was mentioned. No! nothing, but it was just that there would be a blow or difficulty, or something about the endorsement. I think possibly the endorsement of the bonds was referred to, but I can't state positively anything in the world more than that there was just such a reference as to the various expressions that you have already got. That money would have to be forthcoming—"the old man" expression, or old something, and there were exactly those ear marks in it, that identified this rumor, statement, or report, that I had got. They were just of that order, and nothing more. I just saw it, and really I did not ask him, because I could see that he had heard it, and I reckon he could see that I had heard it.

Q. Did Governor Smith say where he got the rumors from? A. No sir, I don't think he did, I don't think the governor gave any sort of intimation then. I may have heard him say since this matter has been coming on, but at that time I don't think he made a suggestion that I could even surmise or guess his authority. It was just one of those things when each one was very guarded in not going beyond the limit of confidence. I know it was on my line, yet seen so plainly that—that the governor had heard all those things. I was not quite as reticent as I would have been to an utter stranger to the whole matter. It was those little indicia that identified it beyond all question upon my mind, that he heard it as fully as I had heard it. We discussed nothing. We did not express any opinion or idea about it one way or another, nor did I ever speak of it except I mentioned it to Mr Hill that Governor Smith knew it and of course that there would be some rumor or movement about it. I took it for granted that there would be.

Mr Wright. You said Mr Hill advised with you as a friend in this matter. Did he have any conference with you about his card to the public? A. No sir. I don't think I ever knew of that, until it was out. I am sure I never did.

Q. Until its publication, since this investigation? A. Well, it was published before this investigation, wasn't it?

Senator Hill. It was not published; it was rumored—talked about? A. That is the way I understood it. I do not think I had even heard any thing. Well, the papers possibly made some reference to the statement of Mr Hill. I did look for Mr. Hill to write something. I didn't know when, nor how. I never heard a word from him about it. I never saw that until after it was out. And I was absent a week about that time; nearly a week; from Thursday morning until Tuesday evening.

Mr Hammond. Why did you expect Mr Hill to write something about this matter? A. I made the remark—I think there was a publication in the paper a few days after the difficulty between Mr Hill and Mr Murphy in the Atlanta paper. I have the impression on my mind that there was something in that paper or the next, indicating something of the sort. There was something, I do not now recollect what, that made me think Mr Hill would come out, I do not now recollect what the particular thing or point was. But it struck me that Mr Hill would. No human being ever said a word to me about Mr Hill's writing or intending to write, nor he to me, nor I to him.

Q. Do you mean to say that in the tenor of this article that appeared, was something that necessitated a reply? A. My recollection of it is that there was something in that first article that would—I might use the word provoke: that may be too strong a word—but would induce him, or cause him to come out. I know the impression was upon my mind. If I had the piece before me, I could tell the particular thing; but it may have been from the general tenor. But I take it fr granted that Mr Hill would always write or speak in defense of himself, if necessary. I do not recollect anything, any other particular, but it was just on my mind that I expected to hear from Mr Hill. I know I felt a little surprised that the paper did not have something within a few days later. I looked to see as the paper came out if there was anything from him.

Mr Hall. I know that Gov. Smith did not get his information from Senator Hill.

Senator Hill? No, he did not.

Mr Cox. Judge Trippe, you say you have an idea on your mind that Gov. Smith made an impression on your mind that he did not get it from Mr Hill. A. There is no impression upon my mind as to the first interview with Governor Smith. He gave me no idea at all. I don't think there was anything upon either side, and don't know how he did get it. I have got an impression upon my mind. I never said a word to any one nor they to me, of anything that passed between us, excepting here, since the session commenced, and since this committee was appointed.

Mr Humber. The article in the newspapers was headed "A Contested Fee?" A. I think it was; the first I had seen in the newspapers.

Q. And then Senator Hill's story? A. Yes, sir. Well, I desire to say I could not tell the point that made an impression upon my mind that Mr Hill was to be heard from. I don't know whether I took it as a hit at Mr Hill, or whether it was the general tenor of the article. I know that I opened the paper for two or three days to see if Mr Hill had anything to say. I cannot state that there was anything I expected Mr Hill to correct or deny, or anything of the sort, for I don't recollect anything in it now.

Mr Glenn. Did Mr Hill consult you as a friend, or as a lawyer? A. As a friend.

Q. He did not employ you as a lawyer, nor talk to you as a lawyer? A. No, sir. I don't suppose anything of that sort was said. I know I never thought about lawyers, or anything of the sort.

Q. Didn't Mr Hill tell you he had a conditional fee dependent upon the endorsement of the bonds by the governor? A. I think it was I think the fee was contingent.

Q. Didn't the tell you that Governor Colquitt promised him that if he (Hill) went to Washington he would notify him if he was going to make the endorsement, so Mr. Hill could have notice and look out for his fee? A. I recollect of Mr Hill saying something about making that request, that if he did he would like to be informed, so he could protect himself, and I think probably that Mr Hill stated that Governor Colquitt would, or something of that sort. That he expected it, I know, anyhow.

Q. Was'nt the tenor of Mr Hill's conversation and the complaint of it for not informing him? A. Our part of it was that the governor promised to do it, and did not, and that he never knew it only through the papers.

Q. Didn't Mr Hill say that by the failure of the governor to do so he had lost his fee? A. I don't know, Mr Glenn, that he used any such expression.

Q. Wasn't that the substance of it? A. I know the point was that he was not informed as he expected to be informed, and he thought there was an understanding between him and the governor that he expected to be informed, and that it would produce a difficulty about his fee.

Q. And that there would be trouble about his fee? A. I don't know that Mr Hill stated that as a result, Mr Hill may have stated that, I can't say.

Q. That was the impression made upon you? A. I remember Mr Hill was complaining that he got into this position by having no knowledge of it.

Q. You remember that he had got into this position, that he did not get his fee? A. Well, yes, sir.

Q. Didn't Mr Hill make the impression upon your mind, by what he said, that the rolling mill men gave him as a reason for not paying his fee, that they had had to pay. Mr Murphy—to pay this big fee—that they were not able to pay him, that they could not pay, did not have the money, because they had paid Mr Murphy? A. Well, yes, sir—something like that. That was the idea, that the paying of Mr Murphy $8,000 00 was the reason or excuse why they could not meet his claim.

Q. Didn't Mr Hill, in that conversation remark that it was a little strange that a lawyer of his standing could not get his $7,000, when one of Murphy's could get $8,000? Didn't Mr Hill say something of that sort, in that line? A. I don't know, Mr Glenn, I could not say. I can't say yes or nay on that.

Q. Didn't Mr Hill make this impression upon your mind, that he thought it very strange that if a man of his position could not get the endorsement, and get his fee, when a man in Murphy's position could get it and get his fee? A. I have an impression upon my mind that Mr Hill may have presented something of that kind.

Q. Didn't you throw up your hands and say, "Ben, you smother me!" or something of that kind? Were you not nearly smothered? A. I used the word "suffocate." The thing did like to kill me, I know. I didn't know what to think, or believe, or do, or say. Assuming the innocence of everybody, I could see what was going to result from it. I didn't care how much innocence there was, I could see and foresee just what is now on hand, and that we would be torn to pieces in every way, even if we came unanimously to the conclusion of the innocence of everybody, that the fiery furnace would be to go through—that I was nearly suffocated.

Q. That was the effect of the way he stated it to you—that it came nearly suffocating you? A. You say the way he stated it.

Q. He is the man that stated it, isn't he? A. Of course, I never knew anything until then.

Q. Did Mr Hill express any opinion as to Governor Colquitt's guilt or innocence, or collusion with Murphy in this fee? A. I don't recollect that he said anything of that sort at all. I rejected and repudiated the idea, and I know he did. We both, I reckon, talked about alike upon that. I confess that my feelings were so operated upon I cannot give anything like what Mr Hill said or I said.

Q. Did you and Mr Hill, in your conversation, agree that he should go to see the governor, that it was his duty? A. Yes, sir.

Q. And that Mr Hill should advise the governor to make Murphy pay the money back so that Mr Hill could get his fee? A. Nothing said about getting his fee.

Q. Was there anything said about Mr Hill asking the governor to have Murphy pay the money back? A. I think Mr Hill's idea was that, Mr Murphy being an officer here, had no right, no legal right, to any such thing, and that if he got this money, he ought to refund it; that the parties ought to have it, and he ought to be made to repay it.

Q. That was Mr Hill's idea? A. Mr Hill's idea.

Q. Did you and he, in this conversation agree that he should state that to the governor, and ask him to make Murphy to pay it back? A. I don't know that we agreed particularly in asking that he should have Murphy pay it back. I don't know, upon my part, what I may have said on that. I have no sort of recollection.

Q. Didn't Mr Hill tell you he was going to ask the governor to make Murphy pay it back? A. I am rather impressed that he did. He said that he would. He said he proposed to the governor to see Mr Murphy; that he would meet Mr Murphy, and have the governor to send for Mr Murphy, and they would all meet together and find out the facts about it. But under no circumstances, I know—I think—Mr Hill's idea was that Mr Murphy—whether he made the statement that would implicate the governor or not. That his position as an officer here, legally, would disable him from taking this fee, or money in that way, and that he ought to pay it back, and I know this much, I have got that more deeply impressed upon my mind that he could garnishee Murphy.

Q. Mr Hill was going to sue the rolling mill company for his fee, and garnishee Mr Murphy? A. I think he has done it.

Q. Wasn't the last idea this, that if Murphy would pay that money back, that the rolling mill company would be able to pay his fee? A. I don't think we got to that point, that he would get his fee by it. I don't think that there was anything like that in the whole matter.

Q. Did he say that there was nothing of that sort? Didn't he urge anything of that kind, how he would manage things to right himself? A. No! no! I am sure not! because if Mr Hill had gone into that—it was so different from anything that was said. I don't think Mr Hill made any suggestion in that matter touching getting himself protected, except by the garnishment.

Q. Garnishment upon Mr Murphy? A. Yes, sir, and if he had, it would have struck me. I take it that I would have thought of it afterwards.

Q. Was anything said in that interview that other people knew it, and whether it could be stopped or not? A. Yes, sir, yes, sir, doubtless there was. I remember. Certainly it was said that such a thing—I know that was my idea—and I think we both discussed it. I was going to say that in the first place that it would be impossible to stop it. It was my conviction that it was impossible for such a thing as that to be kept quiet. I had no more idea that such a thing could be kept quiet.

Q. At the first interview with Hill it had not been talked of? A. Well, Mr Morrill knew it, and Mr Goodnow; Mr Hill knew it, and I knew it, and I believe one or two others.

Q. Who are they? A. It rather strikes me that Governor Brown's name was mentioned as having heard it, but the chief idea was, that when a statement of that sort was upon the mind of anybody about a governor, that governor ought to know it. I made this remark: "Mr Hill, if you don't I will." But I believe I modified it. Said he, "I don't want to go forward and volunteer." I did it because I did not want Mr Hill to throw it upon me, but I would have done it if necessary.

Q. You would have told the governor? A. Oh, yes, sir.

Q. You are a friend to Governor Colquitt? A. Oh, yes, sir. Friend to Governor Colquitt and friend to Georgia.

Senator Hill. Didn't the whole conversation between you and me, and my approach to Governor Colquitt, relate solely to the public scandal, and the effect upon the state and the democratic party? A. It was all that I was after.

Q. And didn't I mention my fee as being solely the manner in which I got possession of the facts? A. Yes, sir.

Q. Did I suggest anything about going to Governor Colquitt for the purpose of collecting my fee in any way, shape or form? A. No! no! I thank God you did not. If you had connected that with the matter then preying upon my mind I don't think I could have stood it. Nothing of that sort.

Mr Hill. When you get an opportunity you read over the interview between Mr Morrill, myself and Goodnow, and see if it is not precisely the account I gave you, and what I wanted you to state to this committee is that my approach to you for advice was as a citizen of Georgia, and as a public man in view of the effect upon public character? A. Yes, sir; I will.

Q. You stated all that I think. That was the ground upon which you stated you wanted to talk with me. There was no idea about a lawyer or anything of the kind, and I think we discussed the liability of Mr. Murphy under the garnishment. That was afterwards, you remember. It might have been afterwards. But I was not talking to you as a lawyer. I never had an opinion about it.

Q. Do you remember in this very interview, did I manifest a purpose of friendship for him? A. Yes, sir; you said things of that sort.

Q. And you concurred. A. Yes, sir, it was on that line. I didn't understand it. I know there—I took it that that was all of it.

Mr Hill. I never had the slightest interview with Governor Smith on the subject, nor did I have any intimation that Governor Smith knew about this until Judge Tripp informed me. I communicated that fact to Governor Colquitt in my second interview with Governor Colquitt. I informed him that I knew Governor Smith knew it, and he and Hugh Harralson had been in correspondence upon the subject and had heard it. Judge Tripp suggested to me the importance of noting the dates of my interviews with Governor Colquitt, and I did so. I know positively that the first interview was on the 24th of August. It is my recollection that on Saturday just about two weeks from that, not hearing from Governor Colquitt I went to his office again. I think it was on the 7th or 8th of September, on Saturday, and he was not in. I think he had not returned from Chattauqua. Anyhow he had not returned from some place—some Sunday-school somewhere. I received information that he would return Monday. My second interview was on the 10th of September, which was on Tuesday, according to my recollection. The second interview was on the 10th of September.

I wish to state once more, that in no manner, shape or form, did I ever have my fee in view in any approach I made to Judge Tripp, in any approach I made to Governor Colquitt, or in any action, whatever, I have taken in relation to this public scandal. It never occurred to me once that my fee had anything to do with the public scandal, or that the public scandal had anything to do with my fee. The only allusions ever made to my fee were when I made the request to Governor Colquitt to give me notice when he was going to sign the bonds in order that I might save it, and when he was giving me his reason why he did not give me the notice. In no way did my fee have anything to do with my approach to Governor Colquitt. I never approached Governor Smith at all. I never had any interview or exchange of words about it until after he testified that day.

Judge Tripp. Upon that matter about the suggestion to Mr Hill which I have made to him about making the memorandum of the dates, I know no definitely fixed idea on my mind as to why I did so. But from the general idea, as well as the special one, that a man ought always to keep dates. It struck me then, that sometime or other, we would want the dates, and I wish I had followed my own suggestions, though I did not dream that I would ever be called upon as to the interview.

Mr Hill. I am certain that Judge Tripp communicated to me the information that Governor Smith knew it between the first and second interview that I had with Governor Colquitt, which was between the 24th of August and the 10th of September.

Mr Troutman. In those interviews which you refer to with Governor Smith neither of you disagreed as to the propriety of the Governor's signing these bonds, did you?

Judge Tripp. No, sir. I don't think that the legality of the act was discussed at all. If it was I don't recollect it, and I don't suppose it was.

I remarked just now, and probably it will be proper, if there is any sort of importance one way or another to it for me to state that I don't think that Governor Smith at that first interview stated how he did get hold of these rumors. The only time I think I ever talked with him about it, I think was two weeks ago.

Mr Hill. You spoke about my advising the Governor to make Murphy return the money indefinitely. Don't you remember that I insisted that Colquitt ought to have Murphy dismissed? A. Yes, sir. You went pretty far on that line, Mr Hill.

Q. And if necessary have him indited? A. Yes, sir.

Q. And didn't you concur with me that he ought to be dismissed? A. I don't recollect particularly about that. I was thinking about that, whether I gave an opinion on that point, and I did to this extent that if Murphy had made those representations of course he ought to be dismissed.

Q. If he had made the representations? A. Certainly, certainly.

Ben Hill. Don't you remember that I insisted that Governor Colquitt ought to have him dismissed from this Capitol.

A. Yes, sir; yes, sir; and if it was true that Murphy had made these statements, and got money by making these statements, and if Morrill should have paid money on them, the two together would make out a case of cheating and swindling, or getting money under false pretenses; that was talked about.

Witness retired.

Adjourned to Monday morning 9 a. m.

ATLANTA, GA, December 9, 1878.

HON. J. W. PRESTON—Dear Sir: Your note addressed to me, in which you state, "Your character for veracity has been attacked before this Committee. If you choose to introduce any contra evidence, please attend to it at once. The Committee is now in session," was forwarded to me at Chattanooga, where I was detained by sickness, of which I notified you by telegraph, and on my return to this city was confined to my bed and unable to attend to any business whatever, and am still unable to leave my room, to-day being the first day that I have been able to leave my bed, or give attention to business of any description. When I communicated the character of your notice to my counsel, asking them to make inquiry as to the names of the parties, and character of the assault made upon my character, and who informed me that they had learned that the testimony was closed, and that you were making up your final report, and it was too late to introduce evidence to maintain my reputation and overwhelm with shame my traducers.

If this be true, Mr Chairman, and I am shut out from putting in the evidence of a hundred or more witnesses, consisting of the best and most influential citizens, not only of Atlanta, but elsewhere, to counteract the prejudiced opinion of some few parties inimical to my elf, who were not exposed to cross-examination, to expose their motives and lay bare their prejudices, then I respectfully ask from the committee that this statement be made a point of their proceedings, in justice to myself, and I appeal to the committee in their sense of justice to me.

No matter how strong may be their desire, or honest opinion to vindicate the reputation of the present executive of the State, in the results of their investigation as a committee, to take into consideration my illness, and give to me the opportunity of cross-examining those who have appeared against me, and produce a host of witnesses to the contrary, which I propose now to do, or publish this, my statement. I may, in conclusion, remark that no man more regretted the necessity than I did of uttering the opinion I entertained, based upon the information which I received through others, and which left the impression upon my mind I honestly expressed at the time, when I looked for no investigation of the transactions, and no man will more heartily rejoice to learn that the information I received, upon which I based my opinion, has been so modified by the investigation as to justify a different opinion by the committee; in fact, on the information as now presented, I would have entertained a very different opinion myself. Yours, very respectfully,

WILLIAM GOODNOW.

RESOLUTION

passed unanimously by the committee and ordered into the record, to follow the letter of William Goodnow, dated December 8th, as above:

Resolved, That the committee permits the letter of William Goodnow to be entered as part of the record in this investigation, not as a matter of right, for he has been, by letter from the chairman of this committee, notified that attacks had been made upon his character; with a distinct notice that if he desired to appear before the committee in his own vindication, the committee was ready to hear him. This letter was dated the —— day of ——, 1878, and is now contained in the report of these proceedings. The committee, although, met this night to make up its final report, after due notice, as aforesaid, through their chairman, gave notice this day that if he desired to appear before the committee, justice should be done him in the premises; but it is the opinion of this committee that Mr Goodnow did not desire nor intend to appear a second time. We allow the letter to go on record to prevent a very common charge of injustice. Every member of this committee, when the attack was made upon Mr Goodnow's character, promptly concurred in the suggestion that he be notified to appear, and were anxious that he should appear, but, having failed to do so, the responsibility is with himself. The committee will take none of it.

MAJORITY REPORT.

To the Senate and House of Representatives: On the 7th day of November, 1878, his excellency, the governor, laid before the general assembly the following special message, to-wit:

"EXECUTIVE DEPARTMENT, ATLANTA, GA., November 6, 1878.—To the General Assembly: A grievous necessity has been imposed upon me to demand at your hands a thorough investigation of my motives and conduct, as the executive of Georgia, in placing the state's indorsement upon the bonds of the Northeastern railroad. This necessity has been created by widely circulated slanders and innuendoes, vile and malignant, and so mendacious and wicked as to make all comment and paraphrase upon them utterly futile. Nothing but a thorough sifting of my every motive and act in regard to these bonds, as far as human insight and judgment can reach these, can satisfy an aggrieved honor, or give such entire assurance to the people of Georgia, as they have a right to demand in the premises. To a man who values his good name far more than life, it would be an act of supremest injustice to deny the most plenary vindication, rendered in the most august and authoritative form known to the laws, or to public opinion.

"To the people of this great commonwealth it is of the last consequence that they should know, beyond all peradventure, that the man who fills, at their call, the chief seat of authority, is above reproach or suspicion.

"My denunciations of an awful and stupendous slander, forged and uttered to dishonor me, will not be enough. The general assembly of the state—a co-ordinate power—is appealed to for that justice which, while it will, I know full well, exonerate me as a man, will also vindicate the fair fame of Georgia, assailed by cruel slanders on her chief executive.

"ALFRED H. COLQUITT."

In response to the foregoing, the general assembly passed the following joint resolution:

"Resolved, That in response to the special communication of his Excellency, Governor A. H. Colquitt, on the subject of the indorsement by him of the bonds of the Northeastern railroad, a committee of five from the senate to act jointly with a committee of eight from the house be appointed to investigate the whole matter and report their action to this body, and that the house be notified of the action of the senate in the premises, and that said committee be authorized to compel the presence of persons and production of papers."

And subsequently the following additional joint resolution was adopted, to-wit:

"Resolved by the senate and house of representatives, That the joint committee to whom was referred the special message of his excellency, asking an investigation of his indorsement of the bonds of the Northeastern railroad, be instructed to report not only the conclusions at which it shall have arrived, but also the evidence on which the conclusions are based."

The committee appointed under the first of the foregoing resolutions submit the following report:

Impressed with the gravity and magnitude of the matter submitted to it, the committee have patiently and rigidly investigated every charge and every rumor which might in any way affect the motives and conduct of the governor in fixing the state's indorsement to the bonds of the Northeastern railroad company. Every witness connected in any way with the transaction has been subjected to a most thorough examination. The committee has not been able to find any proof that has, directly, or indirectly, implicated Governor Colquitt in this transaction inconsistent with the honest and conscientious discharge of the duties of his high position.

They also find that he has not been guilty of any illegal conduct or corrupt practices in the matter of said indorsement.

In the opinion of this committee, the reports and rumors that connect the name of the governor with any improper conduct in the matter of the indorsement of the bonds of the Northeastern railroad company are vile and malignant slanders.

This committee did not investigate the legality of the state's indorsement of the bonds of the Northeastern railroad company, except in so far as the same was calculated to illustrate the conduct and motives of the governor, because they did not believe that the investigation of this purely legal question was within the scope of the investigation ordered by the general assembly.

In investigating the motives and conduct of the governor, the committee have found it necessary to examine into the conduct of Mr. John W. Murphy, a clerk in the treasury department of the state, and it is the opinion of this committee that Mr. Murphy was not guilty of any illegal conduct or corrupt practices in the matter of the indorsement of the bonds of the Northeastern railroad company.

While we do not believe that any wrong has been done in this instance, and while thus exonerating his excellency, Governor Colquitt, and Mr. Murphy, we are of opinion that the independence of the departments of the state government, and the purity of the public service would be seriously threatened if it were tolerated, that an official or subordinate of one department should be permitted to practice before or mass influences upon the chief of another department of the state government, with a view to influence his official conduct.

Therefore to avoid any wrong from such a practice, in the future, we suggest the propriety of such legislation on the subject as will prevent any officer of this state, or any person holding office by authority of the state, from accepting a fee, or being employed to represent before the governor any matter or claim that the governor is required to pass upon.

In closing their report, this committee submit all the testimony taken by them and also submit the following resolution:

Resolved, That the report of this committee be adopted as the sense of this general assembly.

ALBERT H. COX,
Chairman H. C.
W. J. NORTHEN,
ARTHUR H. GRAY,
ALLEN FORT,
H. G. WRIGHT,
JOHN I. HALL.

JOSEPH W. PRESTON,
Chairman S. C.
H. R. CASEY,
JOHN F. TROUTMAN,
SAM'L HAWKINS,
ISAAC P. TISON,

MINORITY REPORT.

To the Senate and House of Representatives—The undersigned, members of the joint committee of the senate and house of representatives, appointed to investigate the conduct and motives of his excellency, the governor, in placing the state's indorsement on the bonds of the Northeastern railroad company, being unable to concur fully in all the conclusions arrived at by a majority of the committee, beg leave to submit the following minority report:

From the very general nature of the matters embraced in the inquiries, which the committee were by joint resolution instructed to make, their investigation has necessarily taken a wide range, touching at times on occurrences which, when considered separately and apart from other facts developed by the committee, may not seem to bear any necessary relation to the main purpose of the inquiry, and while recognizing the impossibility of opening at large, within the limits of a formal report, the various facts elicited in the course of the investigation, yet we deem it necessary to a proper understanding of the report we have felt called on to make, that it should contain at least a brief outline of some of the more prominent features of the testimony. In the month of October, 1874, the authorities of the Northeastern railroad company, for the first time, made formal application to the then governor, to have the state's indorsement placed on their bonds; this application was not successful; Governor Smith declining to determine at that time the question as to the right of the company to receive the indorsement on the ground, (among others,) that the application had been prematurely made, and postponing the consideration of the matter until such time as the condition of the work would authorise and require definite action at his hands. The claim of the company to receive the indorsement seems to have been brought to the governor's attention several times afterwards, but in an informal way, and without definite result, until late in the fall of 1876, when he was notified, by the officials of the company that the road had been completed and requested to appoint commissioners to examine into its condition, and report whether the terms imposed by the act granting the aid of the state had been complied with. The commissoners were appointed as requested, and soon thereafter reported to the governor that forty miles of the road had been completed and equipped, and that there were no prior liens outstanding against the property of the company; it appeared, however, that no continuous section of 20 miles had been completed in the terms of the state aid act, at the date of the passage of the repealing act of March, 1874. Soon after this report was made, the attorney-general, Mr. Hammond, at the request of Governor Smith, furnished an official opinion as to the rights of the road to receive the state's indorsement; this opinion was adverse to the right claimed by the company, and the authorities of the road were promptly notified of its tenor. On being further importuned by them, the governor suggested, in view of the alleged "equities" underlying the claim, that the matter be brought before the legislature; and in this situation the claim of the railroad company stood when the official term of the present executive begun. The questions involved were of the gravest moment to the people of the state, as well as to the holders of the bonds; they had been widely discussed, and diversity of opinion existed respecting them, even among those best qualified for their determination. The claim of the company was brought before the legislature as had been suggested by Governor Smith, and afterwards by Governor Colquitt, but at so late a period of the session, that an adjournment took place before any action was had in regard to it, and for some months the matter rested here. It appears that the Scofield rolling-mill company, doing business in Atlanta, and having large claims against the Northeastern railroad company on account of iron furnished for the use of the road, had transferred to it, as a security for the payment of these claims, bonds of the railroad company to a large amount, some of which had been used by the authorities of the rolling-mill company in negotiating loans from banks in Atlanta, Athens, and perhaps at other places; and in the spring of 1877, the rolling-mill company, for its own protection, and that of the banks, determined to urge anew on the governor the signing of the bonds, and, to this end, legal advice was secured. In the course of the efforts that followed, attention was called by the governor to the propriety of procuring the institution of proceedings in the courts under the provisions of the repealing statute of March 1874; this suggestion was immediately adopted, and an equity suit commenced in the superior court of Clarke county in the name of a Mr. Morris, of Athens, with a view to having the right of the railroad company to receive the indorsement determined. This suit resulted adversely to the claim of indorsement, and the case was carried to the supreme court, where the constitutionality of that section of the act of 1874, under which the suit was brought was denied, and the whole matter virtually relegated to the governor, who, although very strongly impressed with the "equities" of the case, and notwithstanding the great concurrence of opinion among those whose advice and opinions were sought by him in favor of the right to indorsement, yet in view of the magnitude of the interests involved, felt that it would be the safer course to postpone action in the premises, and let the whole matter be determined by the legislature, and so advised the parties interested; nor did he think of departing from this policy, until near the close of 1877, when it appearing that suits instituted by the creditors of the railroad company were about to culminate, and its entire property threatened to be sacrificed under the executions that would follow, the governor believing that nothing less than immediate action on his part would save the company from impending ruin. After a most careful consideration of all the questions involved, and in pursuance of the advice of some of the wisest and most prominent men in the state, on the 17th of January, 1878, passed an executive order for the signing of the bonds, and on the 23d day of the same month, they were delivered to the authorities of the railroad company.

As to the sufficiency in a legal point of view, of the conclusions on which this action of the governor was based, we do not deem it either necessary or proper to express an opinion, concurring as we do with a majority of the committee, that this is a matter not included in the scope of the investigation they were directed to make.

It appears further, that during the year of 1877 intimations were made to an official of the rolling mill company, that for a sum of money to be paid to an employee in the office of the state treasurer, the indorsement of the bonds could be procured. No arrangement or contract was then perfected, but early in January of the present year these negotiations were reopened and a written contract was entered into between the official above referred to and the Citizens' bank of this city, in which it was stipulated that $8,000 should be paid to Samuel B. Hoyt, if the governor of the state should, within ten days, pass an order for the indorsement of the bonds, and the signing of the same should actually begin. On the 10th of January, by a supplemental contract, the time within which the order for the signing of the bonds was to be passed, was extended to 20 days; the order for the signing of the bonds was passed on the 17th of January, and the money was paid to Mr. Hoyt for Mr. J. W. Murphy, then and now clerk in the treasurer's office, on the 23d of January. The services rendered by Mr. Murphy, and for which he received the sum stated, consisted in procuring and presenting to the governor the opinions, official and professional, of ex-members of the legislature, and of prominent lawyers, in Atlanta and elsewhere, and in arguments made by himself and by Colonel D. P. Hill, his attorney before the governor, urging the indorsement of the bonds.

It further appears that during the progress of his efforts to procure the favorable action of the governor, Mr. Murphy informed him that he was interested in the indorsement, but it is shown by the testimony that neither the terms of Murphy's employment, nor the fact that a fee was to be paid to him, were known to the governor, until after the indorsement was made and the bonds delivered. Whatever, then, may have been the motives that moved the parties to this contract, to enter into it, it is absolutely certain that neither its terms nor anything growing out of it could have in the least degree influenced the conduct of the governor in indorsing the bonds; and we do, therefore, brand as a libel the insinuation that the determination of Governor Colquitt to indorse the bonds was induced by any sinister influence or unworthy motive.

But underlying that mass of calumny and slander, which has lately assailed the fair fame of the governor, and the real occasion for the existence and currency of the loose libels that have so alarmed and grieved all good men, the testimony in this case discloses an evil too great to be passed over without notice and condemnation at our hands. As the guardians of whatever concerns the safety of the government, and the purity of the public service, it is our first duty to point out abuses that may seem to threaten either, to the end that they may be removed and fresh securities provided against their recurrence, and it is to avoid the imputation of unfaithfulness in this respect, that we invite the attention of the general assembly to the evils that must flow from the toleration of the practice among officials or employees of any department of the government, of exacting fees, or receiving rewards, in consideration of influencing, or attempting to influence, or pretending to influence the official conduct of other officials of the same, or of different departments of the government. This is certainly a matter of the gravest concern, and one most nearly affecting the integrity and independence of the several departments of government. Nor can it be said that this abuse is not a proper subject for our animadversion, since it is out of its evil operation that the occasion for this inquiry arose. It lies at the bottom of "the whole matter." It has banished members of this body for weeks from their appropriate places of duty, and so, hindered the public service, it has filled the public mind with anxiety and alarm; it has furnished food for the whole brood of malignant slanderers; and, worse than all, it has imperiled the peace, the influence, aye, even the reputation of one whose honorable fame is among the most precious of our public treasures; and if permitted to go unrebuked, we may, under its operations, see each department of the government converted into a "tolling house" for the exaction of unjust and unauthorized fees. There is small reason to fear that the executive chamber itself will ever become the scene of corruption or extortion; but for its perfect protection it is, in our opinion, necessary that the precincts thereof, and the approaches thereto, be likewise preserved from all occasion for suspicion or scandal.

This much we have, under a sense of duty, felt necessary to say in explanation of the conclusions we have reached. If our conclusions be wrong, these errors have proceeded from no lack of pains on our part to know what was right. This pledge of rectitude we gave to this general assembly when entering on the discharge of the grave and delicate duties intrusted to us as members of the committee; and this pledge we have endeavored faithfully to redeem.

And, to guard against the evils adverted to herein, we respectfully recommend the enactment of such legislation as will prevent the contracting for, or receiving directly or indirectly, by any official or subordinate of any department of the state government, any fee or reward for influencing, or attempting to influence, the official conduct of the head of any other department. Respectfully submitted.

WM. M. HAMMOND,
R. C. HUMBER.

GENERAL ASSEMBLY.

Thirty-First Day's Proceedings.

THE SENATE.

THURSDAY, December 12.—The senate met as usual.

On motion of Mr. McDaniel, the rules were suspended, and the following resolution read and adopted: "Resolved, That during the remainder of the session, the senate adjourn at 1 o'clock p. m. to meet at 3 o'clock p. m., and adjourn at 6 o'clock p. m. to meet at 7 o'clock p. m." Adopted.

When the senate adjourned on yesterday it had under consideration section 4 of the appropriation bill, with its proposed amendments.

Mr. Holcombe resumed his remarks. There was quite an animated discussion.

Mr. Cumming moved to amend his amendment by striking out $25 and inserting $15. Mr. Cumming called the previous question, which prevailed, and the question was called, to-wit: 1st, the proposition to amend, submitted by the finance committee, to strike out the words "eighty-five hundred" and insert "ten thousand." On this Mr. Holcombe required the yeas and nays to be recorded. 33 yeas, 7 nays. So the amendment was agreed to.

The question recurred on the amendment proposed by Mr. Cumming on yesterday, the amendment proposed thereto by Mr. Grimes on yesterday, and by Mr Cumming to-day. The amendments to this amendment were agreed to severally. On the question of agreeing to the amendment as amended, Mr. Clements, of the forty-fourth, required the yeas and nays—17 yeas and 17 nays. There being a tie on the vote, the president declared the amendment lost. The amendment offered by Mr. Cabaniss, to-wit: Amend section 4—insert after the word "Atlanta," the words "keeper of the public buildings and grounds," was agreed to. The 4th section, as amended, was agreed to.

Section 5th was agreed to—35 yeas, 5 nays. The report, as amended, was agreed to and passed.

On motion of Mr. Grantland, the bill was transmitted to the house.

A house message, stating that they had passed the following senate bills was received: To carry into effect paragraph 2, section 18, article 6, of the constitution: to regulate the striking of juries in civil cases.

Bills read the first time: Mr. Fain—To fix the fees of surveyors: and ordinaries in setting aside homesteads. Referred to the judiciary committee.

Mr. Speer—To regulate continuances and to provide for taking interrogatories in certain cases. Referred to committee on the judiciary.

Mr. Hudson—Resolved, That the governor is duly directed to remove from the state house the odious sign, "Kimball opera house." Adopted.

Resolutions authorizing the governor to make inquiries concerning lessees of the convicts. Adopted.

Resolutions concerning the correspondence with the authorities of Alabama. Adopted.

The tax act was taken up and read, and acted on by sections. The first section was read and adopted. The second section was read and substitute adopted, to-wit: Upon all sleight-of-hand performances, magicians and negro minstrels, all shows or exhibitions, including each side show accompanying circus companies, except for literary or charitable purposes, twenty-five dollars in each and every town or city of five thousand inhabitants; twenty dollars in towns of four thousand and under five thousand inhabitants; fifteen dollars in towns of three thousand and under four thousand inhabitants; ten dollars in towns of two thousand and under three thousand inhabitants; five dollars in towns of less than two thousand inhabitants, and the sum of five dollars for each performance not in a town or city; Provided, This shall not apply to histrionic, dramatic, operatic and elocutionary performances usual in theatres: to be collected by the tax-collector of the county in which such exhibition may take place.

AFTERNOON SESSION.

3 O'CLOCK, THURSDAY AFTERNOON.

When the senate adjourned this morning the general tax act was being discussed, and the second section was under consideration. Action on the bill resumed.

Mr. McLeod moved to amend said section by striking from the 16th paragraph thereof the words "twenty-five dollars" and inserting "one thousand dollars."

Mr. Candler moved to amend said section by striking from the 18th paragraph thereof the words "twelve hundred" and inserting in lieu thereof the words "one thousand."

Mr. Hudson moved to amend the second section by striking from the 12th paragraph the words "twenty-five" and inserting in lieu of the same the word "fifty."

The finance committee proposed to amend said section by striking therefrom the 18th, 19th and 20th paragraphs and inserting the following, to be designated as the 18th paragraph, to-wit:

All express, telegraph and sleeping car companies doing business in this state shall pay a tax of one per cent. on their gross earnings, and the superintendents, or general agent of each express, telegraph and sleeping car company doing business in this state shall make a return under oath, quarterly, as follows: On the last day of March, June, September and December, each year, to the comptroller-general on account of their gross earnings during the quarter ending on that day, and said taxes herein levied shall be paid by the respective companies to the comptroller-general on or before the last day of December of each year.

The first amendment voted on was that offered by the finance committee. Amendment agreed to.

The finance committee proposed also to change the numbers of the paragraphs to correspond with the altered condition of the question.

The question recurred upon the amendment of Mr. McLeod to strike out "twenty-five dollars" and insert in lieu thereof "one thousand dollars" in 16th paragraph.

Mr. Bryan called for a division of the question so that the motion to strike out "twenty-five" was first submitted to the senate.

On this proposition Mr. McLeod required the yeas and nays to be recorded. Yeas, 14; nays, 21. So the amendment did not prevail.

Section 2, as amended, was then agreed to.

Mr. Casey, chairman of the committee appointed to make an investigation of the indorsement of the bonds of the Northeastern railroad company by the governor, made a report, which was read. On motion of Mr. Casey, the report was made the special order for to-night at 8 o'clock.

Third section was taken up and read. Amended by adding the word "same" in the next to the last line, between the words "the" and "tax."

Section 4th was then read. The committee recommend that after the word "located," in the fifth line, the remainder of the line be stricken. Mr. Cabaniss proposed to amend by striking out the word "banking," in the second line. The senate refused to agree to the amendment of the committee. Amendment of Mr. Cabaniss agreed to.

Sections 5th, 6th, 7th and 8th were taken up and agreed to.

Section 9th was taken up and amended by adding "either by way of specific tax or license fee." Adopted.

Section 10th was agreed to.

Sections 11th and 12th were adopted. The bill with the amendments was then passed, and on motion of Mr. Cabaniss was transmitted to the house.

The senate adjourned to 7 o'clock.

THE HOUSE.

THURSDAY, December 11, 1878.

The house met as usual.

The homestead bill of the senate after some discussion, was passed without amendment.

The committee on wild lands made a report, which was read. It offered a resolution that the wild joint committee on the investigation of the land office sit during the recess and report at the July session.

A bill to prevent any public officer from receiving any fee for the use of public money in his hands, was passed.

The bill to change the fiscal year was then taken up. It provides that the fiscal year shall run from October 1st to September 30th. Passed.

The committee on the investigation of the conduct and motives of the governor in signing the bonds of the Northeastern railroad submitted a majority report which was read. Several motions to make it a special order were withdrawn.

The minority of the committee also presented a report, which was read.

The house adjourned to 3:30 p. m.

FUNERAL NOTICE.

BELL—The friends and acquaintances of Mr. A. J. and Mrs. Frances T. A. Bell are invited to attend the funeral services of their infant son Charlie, at their residence, corner of Luckie and Alexander streets, at ten o'clock this morning.